FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 097 20 May 1986

INTER-AMERICAN AFFAIRS

Reportage on Contadora Group Meeting in Panama A 1
Differences Thwart Agreement [ACAN] A 1
Quinonez on Tinoco Accusations A 1
[Guatemala City PRENSA LIBRE 19 May]
Delegates View Proposals [Panama City] A 2
Delvalle Will Not Attend Esquipulas Meeting A 4
[ACAN]
Envoy Says Cuba To Join ALADI as Observer A 5
[AFP]
Briefs: Monetary Council President A 5

ARGENTINA

Bomb Defused at Site of Alfonsin Speech B 1
Government Confirmation B 1
Faulty Valve Causes Leak at Nuclear Plant B 1
[BUENOS AIRES HERALD 19 May]
Missing Plane's Wreckage Found, No Survivors B 1
Israel Withholds 14 Planes Purchased in 1982 B 2
Navy Will Not Formally Participate in 'Unitas' B 2
[BUENOS AIRES HERALD 19 May]
Coast Guard Captures Polish Fishing Vessel B 3
Foreign Ministry Communique B 3
Briefs: Health, Housing Under Secretaries B 3

COLOMBIA

Bomb Blasts Damage U.S. Organization Buildings F 1
Army Confiscates Smuggled Goods, Weapons F 1
Briefs: New Iraqi, Portuguese Ambassadors F 1

PARAGUAY

Police Surround Radio Nanduti, Prevent Protest H 1
HOY Editorial Scores 'Sir' for Nepotism [14 May] H 1
Communist Party Member Interviewed in Moscow H 2
[cross-reference]

MEXICO

Molotov Cocktail Hurled at U.S. Consulate M 1
Sepulveda Hosts Dinner for Polish Minister M 1
Further on Visit [cross-reference] M 2

Soviet Envoy Praises Efforts Against Drug Traffic M 2
Official on Plans To Offset Drop in Oil Revenues M 3
Briefs: Marijuana Destroyed, Cocaine Confiscated M 4

CENTRAL AMERICA

BELIZE

Government Allegedly Moves To Control Church P 1
[THE BELIZE TIMES 11 May]
Esquivel on Economy, Drugs, Foreign Affairs P 2

COSTA RICA

Madrigal on Importance of Contadora Meeting P 3

EL SALVADOR

Gen Blandon Discusses Military Operations P 3
Part 2 of Duarte Interview With EXCELSIOR [24 Apr] P 6
Coprefa Summarizes Military Activities 12-18 May P 11
Guerrillas Report Results of 10-17 May Actions P 11
[Farabundo Marti]

NICARAGUA

EXCELSIOR Interviews President Ortega P 12
Part 1 [27 Apr] P 12
Part 2 [28 Apr] P 19
Opposition Board's Message to L.A. Leaders P 28
[San Jose LA PRENSA LIBRE 8 May]
Tomas Borge Meets With Indian Community P 31
Draft Constitution Discussed at Town Councils P 31
FRG Envoy Demands Release of German Citizens P 32

CUBA

Special Libyan Envoy on U.S. Attack, Boycott Q 1
Commentary Views Paraguay's Current 'Crisis' Q 2
International Insurance Conference Begins Q 2
Politburo Member Speaks at Cooperatives Meeting Q 3
Cienfuegos Reports Unfavorable Energy Consumption Q 3

DOMINICAN REPUBLIC

Further Election Reportage; No Winner Announced R 1
Council Head Challenged R 1
Advisers Withdraw From Count R 1

CARIBBEAN

BARBADOS

Campaign Enters Final Week; St John Holds Rally S 1

JAMAICA

Seaga Raps JLP Defections; More Expected S 1

REPORTAGE ON CONTADORA GROUP MEETING IN PANAMA

Differences Thwart Agreement

PA190301 Panama City ACAN in Spanish 0144 GMT 19 May 86

[Text] Panama, 18 May (ACAN-EFE) -- Radical differences between Nicaragua and the other Central American countries today thwarted an agreement to define limits on weapons and military forces within the Contadora peace document. The 3-day meeting that ended on Sunday in Panama closed with two highly different diplomatic blocs: one maintained by Nicaragua alone and the other by El Salvador, Honduras, Guatemala, and Costa Rica.

The meeting was convoked by the Contadora Group (Colombia, Venezuela, Mexico, and Panama) to seek an agreement to define the issues of weapons and military maneuvers, which are the last chapters left to finalize the peace treaty for Central America that has been under negotiation for the past 3 years.

To Colombian Deputy Foreign Minister Guillermo Fernandez de Soto, the meeting was positive, because participants learned about the position of the countries regarding these two issues that are so vital to the peace process that had not been discussed at the negotiation table for the past 6 months. "One of the problems in the process, " Fernandez added, "is that we did not know the positions on the issues of military maneuvers and weapons; this meeting allowed us to delve into the issue."

Nicaragua maintains that only offensive weapons should be limited and that negotiations to establish such limits must begin after the peace treaty is signed on 6 June. The other countries want limits on all kinds of weapons as well as limits on military forces specified in the peace document.

Jorge Ramon Hernandez Alcerro, head of the Honduran delegation, said that "that should be specified in the document, because we cannot delay any further negotiations that have lasted 3 years." They also differ on the issue of international military maneuvers; while Nicaragua wants them banned, the other countries want them regulated -- not banned.

Joaquin Maza Martelli, head of the Salvadoran mission, said: "It is important to stress the consensus reached by four countries regarding such an important issue as security."

Contadora convoked the delegates to continue negotiations on 27 and 28 May, 2 days after the Central American presidential "summit" that will take place in Esquipulas, Guatemala. According to Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco, "we will discuss what weapons will be negotiable" during the technical meeting that will be held here again in late May.

Quinonez On Tinoco Accusations

PA191954 Guatemala City PRENSA LIBRE in Spanish 19 May 86 p 2

[Text] Guatemalan Foreign Minister Mario Quinonez Amezquita last night said that Guatemala has not changed its position of neutrality in the region in order to consolidate peace. He was rejecting accusations by Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco. A dispatch received form Panama, where a meeting of the deputy foreign ministers of the Contadora Group concluded yesterday, stated that Guatemala and Costa Rica made a joint proposal to include a complicated system to regulate and control weapons.

Quinonez reiterated the Guatemalan position that the arms buildup in the region must be stopped "so that all the countries will be in the same condition." He added that whoever has more arms will always hinder the peaceful solution we all want.

He also said that Guatemala did not take any preconceived proposal to that meeting, "it only took ideas as to how to freeze the arms buildup and a way to establish a ceiling on disarmament." He explained that under no circustance has Guatemala thought of changing its existing neutrality policy.

The dispatch published in the international section of this newspaper indicates that the Guatemalan and Costa Rican proposal is based on a complicated theory to assign a number of "points" to each soldier or weapon so that each country can accumulate nor more than 100,000 points.

Commenting on this part of the communique, he said that the idea is to have each country in the same condition to negotiate the implementation of peace in Central America, one of the steps of which will be the holding of the Esquipulas summit, to be held this week.

In conclusion, the official said that today, after thoroughly learning about the proposal, he will give a better explanation of what occurred in Panama following the meeting of the Contadora deputy foreign ministers.

Delegates View Proposals

PA191932 Panama City Domestic Service in Spanish 1250 GMT 19 May 86

[Text] The members of the Contadora Group -- Mexico, Colombia, Venezuela, and Panama -- and the representatives of the Central American countries have suspended until 27 May the talks they resumed over the weekend in this capital to analyze the aspects pending agreement, such as arms reduction and control and the international military maneuvers in the area.

The decision was adopted in view of the elements and proposals presented, and so that they can be analyzed.

In the opinion of the Contadora Group's representatives, which was expressed by Mexico's Ricardo Valero, the 6 June deadline for finishing the pending aspects on the act still exists. He said that the problem has another dimension, which has to do with the interests of countries with links in the region, whose contribution is necessary in order for the Central American countries to reach an agreement. He added that the Contadora Group's proposal aimed at facilitating an agreement on the pending points is still in effect and that there is great optimism, because the formulas proposed by the delegations have arrived at a crucial point. Regarding the meetings, Valero said:

[Begin recording] As you know, several proposals were made during this meeting. However, none of them was accepted by all of the Central American countries. Most of the representatives had a proposal. We, the members of the Contadora Group, had established the criteria -- which has been the rule from the beginning -- that our proposals ...[changes thought] and we presented one, which was the starting point for this meeting, reconciling, summarizing, and compiling the work carried out last year at the meetings of plenipotentiaries.

Of course, if a proposal represented by one of the Central American delegations had been accepted by the five Central American countries, then we would have had no objection to withdrawing our proposal, even if it differed from our criteria. What is important is that the Central American countries can arrive at conclusions by consensus.

This was not the case with the proposals that were made this time, none of them had those characteristics, and therefore the Contadora Group's proposal is still in effect. We believe that the work must be based on it. However, we will make an effort to include new elements of judgment -- those presented at this meeting -- to see if when the talks are resumed next week a definite agreement can be reached. The (?other) proposals have important aspects which will undoubtedly be analyzed and considered by each of the governments in their respective countries. Perhaps this, with the additional incentives I have mentioned before, will make it possible to arrive a definitive formula on those topics.

I would also like to mention that these meeting follow or should follow, to a large extent, the criteria and viewpoints expressed by our respective governments. One of these viewpoints, which we consider very important because it was recently expressed, and because of the personalities that signed it, is the document issued last week in San Jose on the occasion of the installation of the new Costa Rican Government and president by the Contadora and Support Group countries.

The document clearly outlined the conditions and factors that are necessary in order to conclude these negotiations successfully, which is our desire. An example of this is the significance of the contributions by the third-party countries -- not the Central American countries -- that could help in achieving an agreement among the Central American countries.

The problem, as we have stressed, has a very important aspect, which refers to the countries having interests and links in the region, and whose contribution is absolutely necessary, even to make possible an agreement among the Central American countries. This was clearly stated. The efforts among Central American countries continue. The meetings with the Central American countries require the necessary conditions and framework, they require an atmosphere that first of all will permit the culmination of the agreements and, second, the implementaion of those agreements; in other words, not only for the signing of the act, but also for its implementation, which is a later phase. [end recording]

For their part, the Central American representatives, except for the Nicaraguan, stressed the unity of criteria among Costa Rica, Guatemala, El Salvador, and Honduras on the subject of security, reiterating that they support the Tegucigalpa group, and that the proposal presented by Costa Rica and Guatemala is an important advancement in the area of disarmament and military maneuvers. In this respect, the Honduran representative [not further identified] said:

[Begin recording] The Honduran delegation deeply regrets the Nicaraguan delegation's rejection of the Contadora Group's proposal, the proposal made yesterday by Honduras as well as the proposal made yesterday by Costa Rica. We believe that it is an important advancement on the topics of military maneuvers and disarmament to have four countries in the region agree on a position.

I would also like to add that despite the statement made yesterday by Nicaraguan Foreign Minister Father Miguel D'Escoto, during the meeting held this afternoon among the five Central American delegates to our regret we confirmed, learned, or understood that the proposal, which according to Nicaragua will produce negotiation on disarmament, will not produce those results. The only points that Nicaragua is willing to accept are: the classification of offensive and defensive weapons, leaving out of the negotiations those they consider defensive; and then beginning another negotiation -- post signature, and after the act is implemented -- on what they consider offensive weapons. From any angle, this position is considered unacceptable for the four countries that today endorsed the proposal made yesterday by Costa Rica and Guatemala. We have a very short time to end the netgotiations before 6 June. We want those commitments to be included in the act, and not postponed for subsequent negotiations. [end recording]

For his part, Nicaraguan Deputy Foreign Minster Victor Hugo Tinoco referred to the statement made by the Honduran representative and to the suspension of the meeting until 27 May.

[Begin recording] This meeting was very important, because through Nicaragua's proposal, which was presented 2 days ago, it was possible to open a path for negotiation within the shortest time possible, which we hope will bring us clsoe to an agreement among the Central American countries. As you know, our proposal basically recommends the limitation of the arms classified as offensive as a result of an agreement among the Central American countries, and, in that context, facilitate and expedite the signing of the Contadora Group's act. I can say that the Contadora Group has received Nicaragua's proposal positively, precisely because it is a serious and responsible proposal: The Contadora Group's official proposal announced today was that at the next meeting of plenipotentiaries they discuss what weapons are considered negotiable and which are not within that same spirit. Unfortunately, some of the Central American countries, mainly Honduras and El Salvador, were not in a position to accept this proposal from the Contadora Group, while Nicaragua explicitly accepted it. Hence, no agreement was reached among the nine representatives, that is the five Central American and the four Contadora Group representatives.

Nevertheless, it was agreed to continue the negotiations on 27 and 28 May. The Contadora Group officially reiterated to the five Central American countries that it maintained its proposal of discussing which weapons are considered negotiable. It recommended that the countries bring proposals on precisely which weapons should be limited and negotiated, stressing the importance of bringing those proposals to the next meeting. We intend to bring specific proposals. I would say that although it is true that Honduras and El Salvador did not accept the Contadora Group's proposal altogether, I do not believe that they rejected it completely, and that there is still an open door. I belive that it is possible that in the next meetings we will find formulas to reach an understanding and to advance in that direction. [end recording]

DELVALLE WILL NOT ATTEND ESQUIPULAS MEETING

PA191952 Panama City ACAN in Spanish 1920 GMT 19 May 86

[Text] Guatemala, 19 May (ACAN-EFE) -- Panamanian President Eric Arturo Delvalle will not attend the "summit" of heads of state to be held this week in the Guatemalan City of Esquipulas, it was officially announced today in this capital.

The Guatemalan presidential spokesman Julio Santos told ACAN-EFE that the Panamanian Government had stated that President Eric Arturo Delvalle "cannot attend the presidential meeting" scheduled for 24 and 25 May.

He added that "the reasons President Delvalle has declined to attend are not known, however, he will surely send a special delegation that will participate as an observer."

Panama is one of the four countries that make up the Contadora Group, which has been seeking a negotiated solution to the Central American problem since 1983.

Yesterday Guatemalan President Vinicio Cerezo said that "the talks among Central American countries through the Contadora Group have failed," and added that the Central American parliament promoted by Cerezo is the alternative because "through it, the protagonists themselves can discuss their problems."

Santos said that the presidents' agenda has been changed because they will not leave for their respective countries on Monday, but instead, on Sunday after the signing of the joint declaration.

The official did not want to comment on the absence of the Panamanian president and what impact it will have on the discussions on the Central American conflict.

Attending the Esquipulas meeting will be Salvadoran President Jose Napoleon Duarte, Honduran President Jose Simon Azcona Hoyo, Nicaraguan President Daniel Ortega Saavedra, Costa Rican President Oscar Arias Sanchez, and the Guatemalan host, Vinicio Cerezo.

ENVOY SAYS CUBA TO JOIN ALADI AS OBSERVER

PY151717 Paris AFP in Spanish 1303 GMT 15 May 86

[Text] Montevideo, 15 May (AFP) -- Cuban Ambassador Joaquin Mas announced here today that Cuba will join the Latin American Integration Association (ALADI) as an observer.

Mas said the Cuban Government made this decision after thoroughly studying the prospects ALADI offers for helping Cuba improve its trade with other Latin American countries.

ALADI, which is headquartered in Montevideo, is made up of Argentina, Brazil, Colombia, Chile, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela.

BRIEFS

MONETARY COUNCIL PRESIDENT -- J. Federico Linares M., president of the Bank of Guatemala, was installed today as president of the Central American Monetary Council [Consejo Monetario Centroamericano] -- Conmoneca -- during a meeting of that regional organization in the Guatemalan capital. [Summary] [Guatemala City Super Radio in Spanish 0100 GMT 17 May 86 PA]

BOMB DEFUSED AT SITE OF ALFONSIN SPEECH

PY192325 Madrid EFE in Spanish 2304 GMT 19 May 86

[Text] Buenos Aires, 19 May (EFE) -- The bodyguards of President Raul Alfonsin today deactivated a powerful bomb that had been planted in the auditorium of the 3D Army Corps. A high presidential source told EFE that "around half a kilogram of plastic explosive" that could be detonated by remote control was deactivated some hours before the president entered the auditorium of the 3D Army Corps. Despite this incident, President Raul Alfonsin delivered a message to the chiefs and officers of that Army unit located in Cordoba, 800 km northwest of Buenos Aires.

Government Confirmation

PY200059 Buenos Aires TELAM in Spanish 0022 GMT 29 May 86

[Text] Buenos Aires, 19 May (TELAM) -- Government sources tonight confirmed the discovery of an explosive device near the officers' mess of the 3D Army Corps, in Cordoba Province, where President Alfonsin this afternoon delivered a speech. The sources added that the explosive device was deactivated by the Cordoba Police and that the details of this incident will be reported to the Cordoba federal judge.

Reports about the bomb have circulated since early this afternoon, but it was not confirmed by the government until after 2100. According to reports, some of them contradictory, a plastic bomb was found; but the reports did not agree where it was found. This incident did not affect President Alfonsin's program during his visit to the 3D Army Corps except for a check carried out for security reasons in the auditorium where President Alfonsin delivered his speech.

FAULTY VALVE CAUSES LEAK AT NUCLEAR PLANT

PY191741 Buenos Aires BUENOS AIRES HERALD in English 19 May 86 p 5

[Text] Cordoba, (NA-DYN) -- There was an ammoniac gas leak in the local National Atomic Energy Commission (CNEA) plant when a fault developed in a safety valve, thus raising the spectre of a Chernobyl-style disaster. However CNEA said there was no danger.

MISSING PLANE'S WRECKAGE FOUND, NO SURVIVORS

PY192238 Buenos Aires TELAM in Spanish 1718 GMT 19 May 86

[Text] Ushuaia, 19 May (TELAM) -- The Argentine Navy this afternoon reported that there are no indications of survivors in the area where the wreckage of the Navy plane declared missing on 15 May have been found. A helicopter and navy patrols are now heading for the area. The Navy has issued the following communique:

The Navy General Staff hereby reports that at 1150 today a Navy Electra reconnaissance plane found the wreckage of the B-200 plane that has been missing since 15 May. The wreckage was found in the vicinity of Lake Luz, near southern Policarpo Bay, on the northeastern end of Mitre Peninsula, on Isla Grande de Tierra del Fuego. There are no signs of survivors. A Navy helicopter and patrols from the Alferez Sobral patrol boat have been sent to the area.

ISRAEL WITHHOLDS 14 PLANES PURCHASED IN 1982

PY191652 Buenos Aires DYN in Spanish 0014 GMT 16 May 86

[Text] Buenos Aires, 15 May (DYN) -- Reliable sources have reported that between 12 and 14 Douglas A 4B fighter-bombers purchased by Argentina in late 1982 to replace planes lost by the Navy during the South Atlantic war are being withheld by Israel due to British pressures.

The airplanes were manufactured by the United States, which originally sold them to Israel. They had been used by the Israeli Air Force, and Argentina paid cash for them after the war. The airplanes could not be shipped to Buenos Aires because Israel needs authorization from the United States to give them away or sell them, and Great Britain has opposed such an operation.

Negotiations resumed after President Raul Alfonsin took office. The sources stated that late Defense Minister Raul Borras had had difficulties because of an Air Force demand that it, not the Navy, get the airplanes if they are released. The issue remained pending, but the Navy conducted its own negotiation. As tensions with Great Britain gradually relaxed and the idea of a potential conflict was put aside at the beginning of this year, the situation seemed headed toward a solution.

According to the sources, however, the Argentine Government's decision not to participate in the "Unitas" maneuvers has apparently again blocked the operation. During the "Unitas" maneuvers, in which Argentina has not participated since the 1970s, Argentine and U.S. ships were to conduct exercises in the South Atlantic. The sources added that the Argentine decision not to participate in "Unitas" was announced last week as Navy officers were participating in a preparatory meeting in Puerto Rico for the joint maneuvers.

NAVY WILL NOT FORMALLY PARTICIPATE IN 'UNITAS'

PY191747 Buenos Aires BUENOS AIRES HERALD in English 19 May 86 p 5

[Text] (NA-DYN) -- As Armed Forces' Commander-in-Chief, President Raul Alfonsin will be present today at Third Army Corps exercises in Cordoba. He will watch paratroopers jumping and will be invited to fire heavy 155mm cannon. This will be Alfonsin's third visit this year to a major unit.

Meanwhile it was reported the Argentine Navy will not formally take part in "UNITAS" manoeuvres this year but some vessels will rendezvous with United States Navy vessels on the high seas to carry out joint exercises. The Argentine Navy has not participated in the operation since the Malvinas War in 1982.

A high source said "this is another step in the right direction" towards the normalization of relations between both navies. "UNITAS" normally takes place during the second half of each year when USN ships sail south off the Pacific coast and the north up the Atlantic coast while carrying out joint exercises with the navies of the countries off the coasts they pass. Most Latin American countries give great importance to the event as a means to update their naval hardware and technology.

Last week in an interview published in TIEMPO ARGENTINO Navy chief-of-staff Ramon Arosa said "it is not convenient to stay out of these operations but the decision must be taken on another level and the Navy is awaiting instructions."

Meanwhile low salaries and human rights trials are the main worries of military servicemen, according to an Army High Command meeting held on Thursday and Friday. Corporals earn only 90 australs a month and captains 260. Five generals, four lieutenant colonels and two majors among serving officers are thought to be liable for human rights trials. Some 12,000 conscripts, or about half the present number, are to be given extensive leave for the rest of the year, from July 9, for budget reasons, according to the High Command huddle.

COAST GUARD CAPTURES POLISH FISHING VESSEL

PY192016 Buenos Aires TELAM in Spanish 1301 GMT 19 May 86

[Text] Buenos Aires, 19 May (TELAM) -- The Argentine Naval Prefecture press department today reported that a foreign fishing vessel operating in Argentine territorial waters was captured by the Argentine Naval Prefecture.

The fishing vessel was captured by the Coast Guard GC 26 vessel, Thompson, off the Pinguin Island lighthouse, 135 miles from the geographic center of the Malvinas.

The captured vessel is the Polish fishing boat Cesno, register No 178, which has 30 crewmen. It is 61 meters long and 9 meters wide with a draft of 5.2 meters and a capacity of 796 tons.

Seventy-four tons of squid caught in Argentine waters were found aboard the vessel, which was taken to Puerto Deseado, where it will be held. The report adds that the Naval Prefecture is making studies to determine the appropriate fine.

Foreign Ministry Communique

PY200327 Buenos Aires TELAM in Spanish 2345 GMT 19 May 86

[Text] Buenos Aires, 19 May (TELAM) -- The Argentine Foreign Ministry tonight explained that the Polish fishing vessel Cesno was captured outside the exclusion zone unilaterally established by Great Britain during the Malvinas Island conflict.

The Foreign Ministry indicated in a communique that the arrest, made by the Coast Guard ship Thompson, occurred at latitude 49 degrees, 2 minutes south and longitude 60 degrees, 58 minutes west.

The communique was released in view of reports indicating that the arrest occurred at latitude 49 degrees, 40 minutes south and longitude 61 degrees, 14 minutes west.

BRIEFS

HEALTH, HOUSING UNDER SECRETARIES -- Buenos Aires, 15 May (TELAM) -- During a ceremony held in the White Hall of Goverment House, President Raul Alfonsin this afternoon swore in Rodolfo Montero and Juk Maisterrena as health under secretary and housing and environment under secretary, respectively. Montero and Maisterrena are replacing Carlos Canitrot and Alfredo Ferro. [Excerpts] [Buenos Aires TELAM in Spanish 0120 GMT 16 May 86 PY]

BOMB BLASTS DAMAGE U.S. ORGANIZATION BUILDINGS

PA191426 Paris AFP in Spanish 1403 GMT 19 May 86

[Excerpt] Bogota, 19 May (AFP) -- The police reported today, Monday, that three bombs exploded last night at U.S. organizations, causing damage but no injuries.

The bombs exploded in a building in southern Bogota which houses a U.S. religious sect. Two adjoining houses were also damaged; another bomb damaged the American Education Center.

The third bomb exploded in the Summer Institute of Linguistics, which is located in the northern part of this capital. The shock wave shattered the windows of a half-dozen neighboring homes.

ARMY CONFISCATES SMUGGLED GOODS, WEAPONS

PA192151 Bogota Television Service in Spanish 1730 GMT 19 May 86

[By Mario Arboleda]

[Text] The National Army has confiscated smuggled goods worth more than 50 million pesos on the Colombian Pacific Coast. In joint operations with the police, the National Army is intensifying raids against powerful groups of smugglers who have been using the Colombian Pacific Coast to smuggle goods into the country. At present, they are using estuaries, that is, arms of the sea, to transport smuggled goods and arms for the guerrillas, according to Captain Miguel Antonio Caro, commander of the Pacific Naval Base, who explained how the five ships filled with goods from Peru, were discovered.

[Begin Caro recording] We have intensified our raids and have identified the various possible areas where they bring in the weapons and smuggled goods. As we have already seen, the weapons are smuggled in with other goods. [end recording]

BRIEFS

NEW IRAQI, PORTUGUESE AMBASSADORS -- Bogota, 15 May (DPA) -- 'Abd al-Sattar 'Abd al-Jabbar Mohamed al-Douri and Antonio Syder Santiago have presented their credentials to President Belisario Bentacur. They are the new ambassadors from Iraq and Portugal, respectively. The Iraqi ambassador will not reside in Colombia. He is presently ambassador to Venezuela. [Summary] [Hamburg DPA in Spanish 0157 GMT 16 May 86 PA]

POLICE SURROUND RADIO NANDUTI, PREVENT PROTEST

PA200433 Paris AFP in Spanish 0407 GMT 20 May 86

[Text] Asuncion, 19 May (AFP) -- Tonight a large group of Paraguayan policemen surrounded the area adjacent to Radio Nanduti, thus preventing a protest demonstration that about 100 students and intellectuals were trying to carry out in front of the building, the radio station officials told AFP.

The intellectuals and university students were waiting for the arrival of other student groups in order to begin the protest demonstration, in spite of the massive police presence.

In a telephone conversation with AFP, one of the officials said that he was afraid this was the "prelude" to another incident of police repression.

According to its director Humberto Rubin, Radio Nanduti, regarded by the government as the voice of the opposition, was jammed for the 8th consecutive day today by unidentified persons, probably members of the authorities. A magistrate who on Friday asked the National Telecommunications Administration, Antelco, about the jamming has not as yet received a response. Meanwhile, the work of the unidentified persons rendered the station's broadcasts impossible to understand.

Students and intellectuals planned a sit-in for tonight in front of the radio station in support of the station's officials. On 28 April the radio station was attacked twice, resulting in considerable material damage but no casualties.

HOY EDITORIAL SCORES 'SIR' FOR NEPOTISM

PY150300 Asuncion HOY in Spanish 14 May 86 p 10

[Editorial "Sir," by newspaper owner Humberto Dominguez Dibb]

[Text] There was a time, long ago, when expressing a reaction, a truth, or a lie perhaps, you talked to me about nepotism, about what it was and about how damaging its practice could be. Now, today I ask you: Why do you practice nepotism?

With great anticipation I went to Encarnacion, capital of Itapua Department, to participate in the inauguration of the Industrial Fair. I returned with great sadness, because the organizers' efforts to make the fair a success, a fair that cost more than 200 million guaranies, did not elicit the cooperation it deserved from the mayor of that city. This lady forbade the use of the site chosen for the fairgrounds which would have been appropriate for the fair's importance. If such an area cannot be used to exhibit to Paraguayans and foreigners all that our country produces, what good is it? Is the possible damage to the grounds that would have to have been repaired more important than the need to exhibit the products of our industry in their best trappings?

I believe that the lady mayor of Encarnacion is your relative, and that she holds such an important position by the merit of her last name, Matiauda. It is obvious that she has no other qualifications, because her refusal to cooperate in the success of an industrial fair clearly bespeaks of his shortsightedness. A city in the country's hinterland can only benefit from an industrial exhibit, by affording its people the opportunity to learn about the nation's reality and gear their efforts accordingly.

This is the initiative that met with the refusal to cooperate, from none other than the most important municipal official, who must look out for the interests of the Encarnacion citizens: the mayor. This attitude fully depicts her inaffectiveness. What other opportunities will the people of Encarnacion have to get a first hand knowledge with the present state of our industry? How many industrialists will come to that border city to take with them an image of our industrial capability? Unfortunately, they will not have a chance to see the best images the industrial fair could have offered, only because the mayor sets more store on the buildings and the grounds than on the best presentation of the exhibition.

It is as clear as day that the incumbent of the municipal mayoralty of a city as important as the capital of the Itapua Department does not have any merit whatsoever to hold that post. If she cannot assess the value of an industrial exhibition, how can she manage questions of less importance?

So, Sir, please do not ever talk to me about nepotism again, because apparently you practice it when it is convenient for you and do not when it is not in your interest.

COMMUNIST PARTY MEMBER INTERVIEWED IN MOSCOW

For excerpts of an interview carried on Radio Moscow in Spanish with Ananias Maidana, member of the Political Commission of the Paraguayan Communist Party, on differences with the opposition, see the 15 May issue of the Soviet Union DAILY REPORT.

MOLOTOV COCKTAIL HURLED AT U.S. CONSULATE

PA200156 Madrid EFE in Spanish 0138 GMT 20 May 86

[Text] Guadalajara, 20 May (EFE) -- The local police reported that a Molotov cocktail was hurled at the U.S. Consulate in Guadalajara today by unidentified persons. No victims or damage were reported.

Hector Cordova Bermudez, police director in Guadalajara, Jalisco State, also reported that the attackers fled and that their identity is still not known. In conclusion, the police director said that policemen picked up pieces of glass from a broken bottle just outside the consulate's main doors. Apparently, these were pieces of the bottle that the unidentified people used to make the cocktail.

Meanwhile, Rudolph Lawrence Rivera, acting U.S. consul in Guadalajara, said that several persons traveling a red car hurled the cocktail at the consulate doors and that only minor damage was caused to the entrance of the building.

SEPULVEDA HOSTS DINNER FOR POLISH MINISTER

FL161236 Mexico City NOTIMEX in Spanish 0440 GMT 16 May 86

[Text] Mexico City, 15 May (NOTIMEX) -- The accumulation and perfecting of nuclear weapons endangers the survival of humanity, Secretary of Foreign Relations Bernardo Sepulveda Amor has told Polish Minister of Foreign Affairs Marian Orzechowski, whom he decorated with the Order of the Aztec Eagle.

During a dinner he gave for the Polish official, who is in Mexico on an official visit, Sepulveda Amor said that today we have corroborated the fact that not only the wartime use of nuclear energy threatens the world but that there is also the possibility that an accident may cause the death of man and the Middle East. [sentence as received]

After mentioning that this coming August the members of the New Delhi group will meet in Mexico to discuss alternative solutions to the arms race, he said that nuclear competition generates international tensions, reinforces regional conflicts, and distorts political and economic realities.

He said that Mexico has struggled for universal, complete disarmament for years and now, within the New Delhi group, promotes dialogue and understanding to put an end to the arms race, suspend nuclear testing, and reduce military arsenals.

He said Mexico and Poland must confirm their will to mobilize the world community for the establishment of a fair international order that will make it possible to confront the present crisis with a sense of responsibility.

He reiterated our country's support for all initiatives that promote international agreement, and stressed the importance of our bilateral cooperation with Poland in trade, financial, industrial, and technological matters.

Further on Visit

For Warsaw reportage of the visit to Mexico by Polish Foreign Minister Marian Orzechowski, see the Poland section of the 19 May Eastern Europe DAILY REPORT and subsequent issues.

BILATERAL TRADE WITH BELIZE TO INCREASE

FL161838 Mexico City NOTIMEX in Spanish 0350 GMT 16 May 86

[Text] Mexico City, 15 May (NOTIMEX) -- Mexico will export electricity, gasoline, butane gas, and molasses to Belize, will drill for oil in the Corozal River basin, and will study the establishment of coinvestment enterprises, the Secretariat of Foreign Relations has reported.

The Secretariat said that recently a Mexican Government mission headed by the director general of a bilateral economic relations of the Secretariat, Francisco Gonzalez de Cosio, and Mexican Ambassador to Belize Manuel Martinez visited the capital of the Central American country to initiate diverse actions of bilateral economic and technical cooperation. The mission met with Belizean Prime Minister Manuel Esquivel and held talks with the ministers of foreign relations, energy, communications, industry and commerce, and fishing and natural resources, in addition to the governor of the Central Bank.

The Secretariat of Foreign Relations said that Mexico will export 12.444 billion kw in 1986 and that the Obrero Sugar Mill will process 90,000 tons of sugarcane and export 30,000 tons of molasses. The exportation of butane gas and gasoline will be reinitiated in accordance with Belize's needs, which that country will soon determine.

The Secretariat added that negotiations will be initiated for Mexican technicians to search for oil in the Corozal River basin. Both countries will study the possibility of setting up coinvestment enterprises, to which end a Belizean delegation will visit Mexican idustries. In addition, the Secretariat reported that conversations leading to the signing of an agreement to encourage bilateral trade will be reinitiated.

Finally, the Secretariat said that Mexico will import up to 5,000 head of bovine livestock and 2,500 pigs tax-free for the southern State of Quintana Roo.

SOVIET ENVOY PRAISES EFFORTS AGAINST DRUG TRAFFIC

FL191458 Mexico City NOTIMEX in Spanish 2255 GMT 17 May 86

[Text] Mexico City, 17 May (NOTIMEX) -- Soviet Ambassador to Mexico Rostislav Sergeyev said today that the drug problem is used to intervene in other counry's political affairs, including Mexico. He also said that it is not right for a major drug-consuming country to blame others for increased drug trafficking and its consequences. In reference to the accusations against Mexico made by a U.S. Senate subcommittee, the diplomat said those declarations were interventionist, against international law, and contradictory to all diplomatic laws and ties.

During an interview at the National Palace, the ambassador stressed the Mexican Government's efforts against drug trafficking. However, the center of that sickness is in another drug-consuming country, he said in reference to the United States.

Sergeyev said the American union is a country where the international mafia organization promotes terrorism by drug trafficking and has an extensive network between other countries and this is no secret to anyone.

During the interview, Sergeyev said the drug trafficking problem is being used as an excuse to intervene in the political problems of other nations. At the same time, the ambassador demanded special measures to combat juvenile drug addiction.

The Soviet ambassador stated that there is an international health organization with a program for controlling the movement of drugs which is used in producing medications. But it is necessary to have additional measures to prevent these from being used for other purposes, he stressed.

ALGERIAN AMBASSADOR ON OIL PRICES, FOREIGN DEBT

FL191908 Mexico City NOTIMEX in Spanish 1204 GMT 19 May 86

[Excerpts] Mexico City, 19 May (NOTIMEX) -- Only the efforts of OPEC and independent export nations will stabilize the hydrocarbon market at the international level.

Algerian Ambassador to Mexico Nur ad-Din Yazid Zerhoumi stressed that currently Third World countries supply 60-65 percent of the crude oil which, added to the production of the Soviet Union or China (countries that should also be concerned about protecting oil prices), together supply 70 percent of the market supply.

The diplomat stressed that reduced exports should be organized equally by OPEC as well as independent oil producers.

In reference to the considerable foreign debt of the Third World and its possible resolution, the Algerian Ambassador said the response to this problem is a new international economic order arrived at by negotiations and represented by Third World and developed countries seeking methods to change economic and financial structures.

He indicated that terrorism is among the primary problems of the world and should be distinguished from revolutionary acts which seek to establish the dignity and sovereignty of the peoples and that there is a state terrorism practiced at other levels.

OFFICIAL ON PLANS TO OFFSET DROP IN OIL REVENUE

PA170017 Mexico City XHDF Television Network in Spanish 0300 GMT 16 May 86

[Text] Budget and Planning Secretary Carlos Salinas de Gortari has told the representatives of the nine political parties that form part of the 53d Legislature that the sudden drop in international oil prices obliges us to act vigorously, but cautiously as well, so that the fundamental social needs are met. THe legislators asked a variety of questions. The official gave concrete replies.

In the first place, a consistent economic policy is being implemented; in other words the pace is being kept up. Second, efficient actions are being taken to prevent the productive sector from collapsing. Third, all economic policy instruments are being used. Fourth, a budget cut of 500 billion pesos is being made in line with the decree approving revenues and expenditures for this year.

Fifth, the budget cut will be broken down in the following manner: 251 billion pesos in the industrial and service sector, of which 100 billion pesos are designated for Pemex; 137 billion pesos will be cut in the rural and social sector; 30 billion pesos in the regional development sector; and 75 billion pesos in the sector labelled miscellaneous.

The budget and planning secretary said that to deal with the drop in oil prices, other measures have also been taken. Nonproductive plants will be closed, but Conasupo [National Company for Basic Commodities] will remain under government control, and its job will basically be to protect consumers as well as to increase peasant earnings. Public enterprises are working, which means that the country has not stopped. Some public enterprises are still up for sale, while others are being eliminated or merged. In 1982 there were 1,155 parastate enterprises and at the end of 1985 there were only 820. Some 123 enterprises are in the process of being eliminated.

Mexico has the necessary strength and capacity to solve its problems, to maintain its sovereignty and national integrity, and to protect its social rights, the budget and planning secretary said. Our country rejects foreign intervention in Mexico's political affairs, he added.

Answering the questions asked by the representatives of the 53d Legislature, Budget and Planning Secretary Carlos Salinas de Gortari said that government authorities are conducting studies to determine the sales value of the Compania Mexicana de Aviacion. He also said that according to the policy of structural changes in public enterprises, there will be mixed investment in the Lazaro Cardenas Iron and Steel Company.

The federal official met with the members of the Planning, Budget and Public Accounts Commission of the legislature. He reiterated that the great drop in oil prices is the reason for the budget adjustments, which cannot be exaggerated, because recession or hyperinflation could result. Regarding those people who believe the government should reduce expenditures in bureaucratic services, the planning and budget secretary said that this could not be done because teachers, health services, judges, and public forces could be adversely affected.

The government continues to negotiate with foreign creditors to get them to share reponsibilities in the budget adjustments and take into account the effects of the oil price drop, which can be estimated at close to $8 billion for this year, the budget and planning secretary said. The understanding and support of international banks is needed, but Mexico will not accept any preconditions, Carlos Salinas de Gortari said.

BRIEFS

MARIJUANA DESTROYED, COCAINE CONFISCATED -- The Judicial Federal Police of Chihuahua destroyed 90,000 marijuana plants in the Los Pozos Ranch, Villaldama municipality. The drug destroyed is valued at $1.5 million on the black market. In addition, 24 packages containing 27.7 kg of pure cocaine valued at more than 500 million pesos were confiscated in Huichapan, Hidalgo. [Excerpt] [Mexico City XHDF Television Network in Spanish 0130 GMT 18 May 86 PA]

BELIZE

GOVERNMENT ALLEGEDLY TRIES TO CONTROL CHURCH

FL170314 Belize City THE BELIZE TIMES in English 11 May 86, pp 1, 12

[Text] Last Friday a minister of Prime Minister Esquivel's government flew to St. Vincent to ask the archbishop of the West Indies to remove the Anglican bishop of Belize from his office. This was the culmination of a week of frantic activity by UDP [United Democratic Party] politicians to wrest control of Anglican church affairs. The immediate objective was to dethrone Bishop McMillan, and to promote a priest whose track record since the last general election guarantees total control of the church by the government.

Spearheading the political 'putsch' is maverick minister of education, Derek Aikman. The forum for Aikman's political agitation is St. John's Cathedral where the Reverend Eric Richards is priest in charge. Richards, who was born in Jamaica of Jamaican parents, has recently acquired Belizean nationality to go with his U.S. green card. He has openly declared his ambition to become bishop of Belize now. The strategy to achieve this ambition was simple. In the last general election campaign he paid his dues, openly campaigning for the UDP from the pulpit, offering blessings at UDP political fund-raisers and campaign functions and identifying himself publicly at every turn with his political bosses.

At the same time a whispering campaign began. The congregation was told that Richards was experiencing undisclosed difficulties with the bishop, and that he was being prevented from properly performing his priestly ministry by the bishop. It was time for a return of political favours. Aikman's wrecking talents were recruited. He erected his political platform in the very chancel of the cathedral, and recruited a band of veterans of very recent UDP campaign as cheerleaders and henchment.

St. John's Cathedral, where in the olden days kings were crowned and where the bishop's throne reposes, became a political arena. Sunday devotions abandoned the Holy Bible and the Book of Common Prayer. The vocabulary of the raise-up campaign was resurrected and politician Aikman became chief preacher. Reverent 'amens' gave way to clapping and cheering. The campaign took a nasty and unchristian turn when the congregation was urged to rid themselves of 'the Jamaican bishop' and use whatever means were necessary to bring Richards to power. Threats have been made. The faithful are being incited to picket, to throw the bishop's throne out of the cathedral. Richards sought biblical support, reminding the congregation that when Pontius Pilate wished to release Christ and crucity Barabbas, the thief, the people demanded that Barabbas be released, and the people got the man they wanted. Richards forgot the biblical percent 'thou shalt not covet.'

Big money was thrown at the campaign: to pay for television advertisements, air-fares to St. Vincent and recruiters to get signatures on a petition to the archbishop. Blatant political tactics were employed. Blank sheets were handed out to hustle signatures and were later attached to the petition Most signatories never saw what they signed. The campaign continues. Minister Aikman has vowed that he will not rest until he has got rid of the bishop.

The affair has become a scandal of major proportions with the most far reaching implications. In less than two years in office Esquivel's government has launched a naked and vicious attack upon the church to bring it under political control. This follows upon the dismemberment of the Supreme Court, last year when both sitting judges were hounded out of Belize by the UDP government with no apologies to the principles of judicial independence.

It follows the post-election attack by Minister Aikman upon the Corozal community, and the recent emasculation of Belcast to make way for an American college. It is perhaps no coincidence that Bishop McMillan is now under attack a few months after he joined Roman Catholic Bishop Martin in exposing false the UDP government's charges that the former Belcast administration was communist inspired. Bishops Martin and McMillan both served on the Belcast administration.

Belize has always taken religious freedom for granted. The traditional right of all Belizeans to worship and organize themselves into religious communities without interference from politicians has been enshrined in our constitution. The church-state educational system has become a model of productive cooperation between government and church in the national interest. In one brazen and cynical play for political control, Esquivel's government has signed the death warrant of religious freedom for all Belizeans. Today it is the Anglicans. Who will it be tomorrow? Can the church-state partnership any more continue on the basis of equality and mututal respect?

ESQUIVEL ON ECONOMY, DRUGS, FOREIGN AFFAIRS

FL192121 Bridgetown CANA in English 1501 GMT 19 May 86

[Text] Lansing, Michigan, May 18, CANA -- Rich countries must encourage the development of poor ones to prevent both their own economic downturns and the loss of freedom in the developing world, Belize Prime Minister Manuel Esquivel has said here. Unless our partners in the developed world are willing to help us increase our earning power, then not only will poor countries remain poor (but) developed countries will also face dwindling world markets and the loss of trade, he told a joint meeting of the Michigan House of Representatives and Senate.

The more we succeed, the more you succeed, the 46 year old prime minister said. If we fail, the consequence will be the erosion of confidence in our traditional Western economic pohilisophy, a turning away from our traditional Belize, and a collapse of freedom and peace. It is a battle to determine whose philosophy will survive; that of Thomas Jefferson or that of Karl Marx.

Esquivel, catapulted into office when his United Democratic Party (UDP) scored a landslide upset in the December 1984 election, said developed countries were already losing their share of the market in poor countries due to trade barriers. Belize, he added, is struggling with both high domestic and foreign debt brought about largely by the collapse of its sugar industry.

The prime minister said Belize's current peace depended largely on the people's faith in economic democracy. That faith depended on factors such as the international climate for development. Improved development could also go a long way toward fighting the production and use of illegal drugs, he said. While Belize recognizes its responsibility to eradicate the production of marijuana, and is taking strides toward that end, rich countries must help by destroying the marketplace for drugs and eliminating trade barriers that inhibit development of legitimate products, he remarked.

Esquivel, saying his government was determined to diversify Belize's economy, invited business executives to invest in his country for development in manufacturing, fisheries, agriculture, and tourism. As incentives, he cited Belize's high literacy rate, its closeness to major U.S. markets and its access by both air and land routes.

In his address the prime minister also called for continuation of the Contadora peace process to reach a peaceful settlement in Central America. The small, vulnerable countries of that region, he said, have been caught up in the East-West conflict as they strive for self-determination and economic self-reliance.

Belize, Central America's only English-speaking country, could face ethnic and demographic tension from an influx of refugees fleeing the conflicts in El Salvador and Nicaragua, he added. Esquivel said he was optimistic that discussions with Guatemala over its border dispute would have a better chance of succeeding now that Belize's neighbour was governed by its first democratically elected civilian government in more than 30 years.

In a separate meeting with tourism officials, Esquivel discussed the possibility of experts from Michigan State University's (MSU) Hotel and Restaurant Institute coming to Belize to advise his country on long-term tourism industry development. Details of the exchange should be completed by summer, Esquivel said. At that time, a Belizean official is scheduled to come to MSU to study travel and tourism issues.

COSTA RICA

MADRIGAL ON IMPORTANCE OF CONTADORA MEETING

PA181542 San Jose Radio Reloj in Spanish 0100 GMT 18 May 86

[Text] Foreign Minister Rodrigo Madrigal Nieto stressed the importance of the meeting of Contadora Group plenipotentiaries currently taking place in Panama City. He recalled that two fundamental chapters in the Central American peace process are being discussed, on which it is necessary to reach agreements in order to sign the Contadora act. He added: For this reason, Costa Rica is making great efforts to conciliate viewpoints and find areas of understanding. Madrigal Nieto said that it is better to wait for Nicaragua's decision on whether it will sign the Contadora Group's act before expressing any opinion. He noted that there have been contradictory reports in this respect recently, as Nicaragua denied a statement made by the Panamanian foreign minister to the effect that Managua would sign the document.

EL SALVADOR

GEN BLANDON DISCUSSES MILITARY OPERATIONS

PA170205 San Salvador Radio Cadena YSU in Spanish 1800 GMT 16 May 86

[Report by Joel Burgos]

[Text] Armed Forces Chief of Staff Gen Adolfo Blandon today inaugurated the National Institute in the city of Guazapa, 24 km north of San Salvador. He said that he does not reject the possibility that the guerrilla forces might use missiles to shoot down Air Force helicopters and aircraft. The FMLN has claimed responsibility for shooting down four helicopters this year in various parts of the country and a C-6 airplane carrying 37 military officers to Panama. Gen Blandon added that Salvadoran and U.S. commissions have been established to investigate the aircraft accidents and that pilots are now being given special training.

[Begin recording] [Blandon] A Salvadoran commission is currently analyzing the situation, and a commission has been provided by the U.S. Government to investigate the aircraft accidents. We are adopting measures concerning the training of pilots. We are also adopting other types of measures. For example, missions must be previously analyzed before being carried out, to ensure that they do not become an unnecessary risk. I will meet with all the Air Force pilots tomorrow to learn if there is any type of problem, particularly concerning their morale. However, I do not think this is likely to be the case because all aircraft have been used without interruption and all the military missions have been fulfilled, despite the accidents we have had.

[Unidentified reporter] Do you have any information about the effectiveness of the stoppage currently being enforced by the guerrillas?

[Blandon] The stoppages which the guerrillas impose on the transportation sector have become another failure for the terrorists. On this occasion, we have only had problems in San Miguel Department, where half of the vehicles have not been on the road. Although the terrorists have even gone to the bus owners' houses to threaten them, we have had no problems in the western and northern zones. However, [the rebels] have killed two Guatemalans in Santa Ana Department, Metapan jurisdiction; and they have attacked two buses in a cowardly way, wounding six innocent people. This is what has taken place during the stoppage. My opinion is that the people are increasingly rejecting these actions because they are aimed against the very interests and needs of the population.

[Reporter] Gen Blandon, Salvadoran Army officials have said that the guerrillas leave behind ammunition when they clash with the Army, and this ammunition is used by the Army. However, when the Army uses the ammunition in a clash, the rounds explode in the soldiers' faces because they have detonators inside. What can you tell us about this?

[Blandon] We cannot use the terrorists' weapons. We cannot use, for any reason, this type of explosive device because this is not a tactical procedure. They use them because they are on the defensive and completely disorganized. The truth is that they use this ammunition indiscriminately and, now that the sowing season has started throughout the country, it is inflicting serious injuries on the peasants who innocently come to till their land -- and find the mines left behind by the terrorists. Therefore, it is totally false that we are using the devices left by the guerrillas.

[Reporter] News reports reveal that the soldiers participating in the operation currently underway in Usulutan were bitten by bats and are in a critical condition -- a considerable number of them, judging from the reports.

[Blandon] That is correct. We have 64 cases of soldiers who were bitten by bats and they must be given medical treatment similar to that used in cases of rabies. They are not in critical condition, but they need a special vaccine, so they have been evacuated from the zone of operations and are being given attention in their respective units.

[Reporter] Gen Blandon, so far this year -- particularly during the last days -- five aircraft have crashed and the Coprefa reported that they were accidents. The other case is that a group of journalists came with the Army to northern Morazan last week and Colonel Mauricio Ernesto Vargas condemned the actions provoked by the guerrillas. They drop rounds -- equipped with special detonators -- along the paths and, whenever the soldiers use these rounds, the rounds explode and blow away their faces; some of the soldiers are left blind by the explosions.

Col Vargas condemned the guerrillas for this and added that they will investigate the cases of two or three soldiers who cut off the ears from dead guerilla members' corpses to show them off as trophies. He said that the Army condemns these actions because no such orders have been issued in this concern. What is your opinion about these two cases, as chief of staff, and -- concerning the Air Force -- do you suspect that the guerrilla forces are using missiles to shoot down the Air Force's aircraft?

[Blandon] The Armed Forces have given proof about the humanization of the conflict in every sector. I think that any action of this type, which opposes the principle of humanizing the conflict, is irresponsible and worthy of rejection. It does not matter who is responsible, either the terrorists or any irresponsible member of the Armed Forces. So far, I have received no official reports that any soldier has taken to cutting off dead terrorists' ears and showing these as trophies; however, if that official report ever arrives, rest assured that we will immediately adopt the necessary measures.

[Reporter] General, the civilian population continues to demand that military operations be stopped in certain zones of the country. What is the Armed Forces doing about this? Will it fulfill the civilian population's (?demands)?

[Blandon] This is part of the terrorists' strategy. They have placed some people among those displaced by the war and are manipulating them so that they exert pressure on the government to stop the military operations. We have often repeated this. We have never opposed the displaced people's return to their places of origin. The only thing we demand is the right to exert control over them; for example, to ask them where they will live, how many persons comprise their family, what their names are, and what they will work on when they return to their places of origin. [end recording]

Armed Forces Chief of Staff Gen Blandon added that three counterinsurgency operations are currently underway in various zones of the country. One of the operations is being carried out in northern Guazapa Hill. The "Lt Col Napoleon Herzon Calito Military Operation" is being carried out in eastern Usulatan Department and western San Vicente Department, and large amounts of explosive devices, mine factories, hospitals, and two printing shops have been discovered. The Armed Forces' third operation is being carried out in northern Morazan Department, and is called the "23 October Heroes Military Operation."

[San Salvador Radio Cadena YSKL in Spanish at 1730 GMT on 16 May broadcasts an approximately 2-minute recorded portion of the press conference given on 16 May by General Adolfo Blandon in Guazapa. The YSKL item contains the following question and answer exchange not included in the above YSU report:

[[Reporter] Gen Blandon, the Legislative Assembly approved last night the decree to extend the state of siege for 1 month. However, it was not possible to get the 40 votes needed so that the restrictions on the freedom of the press were not included in this new approval for the state of siege. What is your opinion about this situation, as chief of staff, and what do you think about freedom of the press in El Salvador?

[[Blandon] I think that if we want to live in a democratic system we must respect the freedom of the press, because that is precisely a characteristic of democracy.]

PART 2 OF DUARTE INTERVIEW WITH EXCELSIOR

PA171401 Mexico City EXCELSIOR in Spanish 24 Apr 86 pp 1 A, 10 A

["Second and last" part of report on interview given by President Jose Napoleon Duarte to reporter Regino Diaz Redondo in San Salvador on 23 April; all punctuation as published]

[Text] San Salvador, 23 Apr -- President Jose Napoleon Duarte has admitted that there is "meddling" by the superpowers in Central American affairs, but area countries can still "handle" their problems on their own. He claimed to have "conclusive evidence that Nicaragua is supplying arms to Salvadoran rebels," that is; "they are playing two games: They claim to be democratic abroad while they are totalitarian and Marxist at home."

He added that Contadora is "antagonistic toward a U.S. presence in the area's affairs, because at that time [not further identified] the Marines [preceding word in English] were about to enter Nicaragua."

Born in this city, Duarte, a 60-year-old engineering graduate of the University of Notre Dame, in Indiana, United States, is intransigent when talking about how the Managua government "sold the idea of this invasion threat" to other Latin American nations and its own people. However, he said that we must understand "Marxist philosophy when it is in the opposition, and during a revolution with and without power."

"We realize that the Nicaraguans do not want to yield even one millimeter now that they are in power; this goes against the basic Contadora principle demanding an internal political pluralism that they cannot implement, because they wish to exert an absolute domination. They are striving to achieve this, but have not yet been successful, because, internally, there is commotion pitting the people against the government's ideology," he added.

Paradoxically, the Salvadoran head of state, who is a man who has gained much experience in the political arena and defends, supports, encourages, promotes, and facilitates dialogues to achieve peace, does not easily provide short replies during his interview with EXCELSIOR.

However, as time passes the interview is conducted with greater ease. Duarte maintains that the inter-relationship between Central American countries is so strong that whatever affects one nation hurts the other; currently, "our international image is that of a Central America on fire."

He wants Central American countries to solve their own problems, "handled by us" to ensure that efforts carried out by the Contadora and Support Groups will end once we assume our own responsibilities, which regrettably, we have not been able to do.

Duarte is physically and mentally sound; he is a serious and plain president; often passionate, but undoubtedly immersed in his analysis of ways to solve regional problems and categorical in his charges against the Managua government.

Basically, he believes that the Central American problem did not originate from an East-West confrontation, but from the people's struggle against injustice, lack of freedom, and military and personal dictatorships, such as Somoza's. These conditions, Duarte believes, help to create the economic, political, and social conditions that pave the way to a rebellion in the area. He insisted that: "Once the hopes of finding a democratic and pluralist solution are lost, violent revolutions take place.

"Guerrillas appeared in Nicaragua, Guatemala, El Salvador, and Honduras. Apparently, the problem was solved with Somoza's toppling in Nicaragua, but intensified in El Salvador; foreign meddling began to take place.

"...If statements by Shafik Handal, secretary general of the Communist Party of El Salvador, that the Salvadoran guerrillas are the vanguard of Nicaragua, and Nicaragua is the rearguard of the Salvadoran revolution, then the Sandinists are meddling in El Salvador." [sentence as published]

He is convinced that in the Esquipulas meeting "we must approve the 21 points of the Contadora Document and agree to sign it on 6 June." In addition, in that presidential summit, "we must force Nicaragua to define itself in regard to pluralism and democracy, to say whether its government is Marxist."

He said that the "Central American problem is at the doorstep of other Latin American and European countries and is increasingly affecting them."

San Salvador is a small city with narrow streets and old houses; it is well-kept and seemingly calm, however, its inhabitants live in constant tension. Frequent rebel actions only a few kilometers from the downtown area bring about uneasiness, water shortages, blackouts, and a lack of certain basic staples.

It is amazing to see the city being patrolled by soldiers -- 13 and 14 year-old boys with rifles on their shoulders -- on the alert for any strange move. Wealthy people, no longer only the so-called "14 families," but many more, move about the capital with great care; their actions are being evidently monitored by bodyguards traveling in modern pickup trucks. The phantom-like threat of the death squads, which is a reality that burdens and brings despair through murders and kidnappings, is disturbing Salvadorans.

[Diaz] What results do you expect from the presidential meeting in Esquipulas and what will be your stand during exchanges with area colleagues?

[Duarte] To answer that question, I must refer back to the moment when I was elected president, when I tried to carry on the popular feeling on the need to achieve peace not only in El Salvador, but in the rest of Central America as well. My message stressed the need to maintain mutual respect among peoples in the area, because our interrelationship is an irrefutable geographical, political, and social reality.

Therefore, the meeting of the region's heads of state should contribute toward harmony among all of us and the least possible number of confrontations. I will sum up my proposal in four points: domestic dialogue, peace among the five nations, admitting that all of us, some more than others, are either endangered by an armed conflict or immersed in it. We should also find a means to achieve mutual respect so that one nation does not intervene in others, and vice versa. In addition, we must reach a conclusion and make a commitment, that is to say, the approval of the 21 points of the Contadora Document, so that this can become a political proposal leading to a Central American parliament, freely and democratically elected by the peoples, who will handle, lead, and control their views about events in our nations at a political forum.

[Diaz] How serious is the situation in the area?

[Duarte] I insist that the Central American problem must be resolved by us. We must assume this historic responsibility. Should we fail to do this, we would surely endanger the stability of the area and of other countries that also feel affected and have begun to seek formulas for a solution of their own, as has been happening in Europe and South America.

I have just learned of [Peruvian] President Garcia's concern over this. It is a fact that we have affected Peru and the rest of the countries this side of the continent. Similarly, the meeting of the European Parliament members in Costa Rica to back the Contadora efforts may be regarded as an expression of concern.

[Diaz] Is dialogue among some of the area nations still possible? Have extraterritorial commitments already been made in some of them?

[Duarte] This is the type of thing we must investigate, lest a situation is repeated similar to when Secretary of State Haig said that the problem here was the result of the East-West confrontation. About 1,500 journalists fell on us. They began to ask questions again and again and created a distorted image of their own, which our country could neither bear with nor handle. This is why we say the problem has not originated as the result of the East-West controversies, but because of prevailing social injustice.

"...This is when interventions began to occur and a domestic poroblem became a foreign one. This is why our problems must be dealt with at three levels, namely, the international, regional, and local, although I am convinced that we can handle our own problems. Contadora plays its role at the international level. Our five nations have been unable to agree on the formula that was presented to us. We lack political willingness. This is why we fail to sign the Contadora Document every time we meet to do so."

[Diaz] Whose fault is it?

[Duarte] There are irreconcilable political stances. We cannot negotiate the country's government because if I, who have been constitutionally elected by the people, negotiate the government, then I cease to represent the government. There exists a set of conditions with which no compromise can be made. I must abide by the people's will expressed at the past four elections. I cannot tell the people that the formula for which they voted was mistaken.

"...Neither can I violate the country's institutionality. I must seek solutions that prove favorable for the people and not for the guerrillas or the government. In this way, a fruitful dialogue can be established.

[Diaz] To what extect is the Contadora Document suitable?

[Duarte] It is an ideal program for any democratic nation in the world. I am willing to accept and fulfill this document because I think I struggle for the spirit of democracy. Not all governments, however, including those of El Salvador in past times, thought like this. Some have raised obstacles to the signing of the document, while others, like Nicaragua, have said no.

Duarte stresses that although at the onset the five Central American countries "agreed that Contadora should eliminate the United States and Cuba from the discussion, now Nicaragua has said it will not negotiate if it does not do so with the United States first. This is contradictory and weakens Contadora, because this group is based on a resolution backed by Latin American countries through a Latin American formula."

Based on the assumption that [Salvadoran Communist Party Secretary General Shafik] Handal's theory is true, namely that Nicaragua is the rearguard of the revolutionary vanguard that exports revolution, there is no doubt that Managua's constant actions in the region can be interpreted. I have the absolute conviction, certainty, and proof gathered during these past 5 years of Nicaragua's constant intervention and interference in Salvadoran affairs. I do not have the slightest doubt.

"...Nevertheless, you have never seen El Salvador attack Nicaragua, and this includes all our statements in international forums. I only ask the Sandinists that if I respect them let them respect me also; in other words, mutual respect. They, however, do not do this and constantly support the guerrillas by sending weapons to them. I can show that the rifles that Venezuela sent to Nicaragua through Costa Rica when the Sandinists were fighting Somoza are now in the hands of Salvadoran guerrillas. The guerrillas have also received rifles from Vietnam. Something similar happens in Honduras. Nicaragua attacks a garrison on the border with Honduras. A fuss is made 3 days later, and Nicaragua sends a note to Honduras apologizing and asking for an arrangement."

[Diaz] Could it be that the contras are also entering Nicaragua?

[Duarte] No. The same thing happens with Costa Rica: Managua attacks it, and then it asks for bilateral negotiations. The latest pretext for a dispute was with Colombia over the ownership of the San Andres Islands. Look, how does Nicaragua act it to impose its theory, its government, and its dictatorship on the people? It needs to be protected, but it does not want to interfere in the problems of others. Hence, its rejection of Contadora, because deep down it rejects interference from others. And look, Nicaragua wants to negotiate peace in Central America with the United States. That means that the Sandinists are entitled to negotiate the Salvadoran problem with the United States, and I will not stand for that. What do you think of that?

[Diaz] Could it be that Nicaragua wants to negotiate its own peace?

[Duarte] It may be that Nicaraguans want to resolve their own problem, but they are not going about it correctly, because they want to negotiate but without any internal interference in Nicaragua regarding supervision. So then, what do they want to negotiate? They want to negotiate peace with us, because domestically they want to exert absolute power. The truth is that we have to understand the dimension of the problem. No one can deny that there is a serious conflict which is affecting world peace. You and I are concerned about what is happening as we are also concerned about what is happening in the East and in Libya. We think about Mu'ammar al-Qadhdhafi, terrorists, how many people they are going to kill, and how many will die. In sum, all of us must be interrelated and mutually concerned. However, the problem with Nicaraguans is that at home they want to impose their formula for nonintervention in their affairs and what they call self-determination, not the people's but theirs, because they do not let the people decide for themselves. Then, they want to interfere in other nations, and they refer to that intervention as solidarity.

"...It is either one or the other; either they interfere or they do not; either they are respectful of the principle of self-determination or they are not, because a people's right to self-determination cannot be limited to must one people. I stop being a democrat if I want to forcibly impose a government on my people. My duty is to use the instruments which the country and the people have to express themselves."

[Diaz] However, there were free elections in Nicaragua.

[Duarte] I do not think so, but some may feel that they were. I do not think so for one simple reason: For 50 years we lived under a dictatorship and we know what free elections are, what the presence of an armed force means in such a process, what the power of the government and that armed force mean when they burst in with rifle in hand, and what terror that spreads among the people. Therefore, there cannot be free elections as can be seen in the films showing that the Sandinists were bearing rifles everywhere, even to vote. Here in El Salvador, we have asked the Armed Forces not to vote because that created problems. Tell me, who can vote when the Army holds power with its rifles? How can a government opposed to the Armed Forces be elected?

[Diaz] Then how does a victorious revolution convene elections?

[Duarte] It depends on what that revolution's ideas are. If the victorious revolution proposes democracy, then the revolution is democratic and has a price to pay. I tell you, we tried to have a democratic revolution in 1980, and the price I had to pay was to give up power in 1982 to the right, because the revolution I created was democratic. Now, let the Sandinists say that their revolution is democratic. But one cannot use two banners. If their revolutionary process is totalitarian, the victorious revolution states that it is going to seize power to impose itself, as the Salvadoran guerrillas have stated. These guerrillas have never talked about democracy. They are going to impose a Marxist-Leninist revolution.

[Diaz] Mr President, in view of all of that, and based on what you just said, why do you still say that dialogue among Central American countries is negotiable?

[Duarte] I wish that they [negotiations] could be conducted, that there could be totally free elections in each of these countries, that a Central American parliament could be elected, and that its representatives could be elected in popular countries, elections under the supervision of all of us,...we supervise the Nicaraguan's, they supervise ours. ...If Nicaragua agrees to that, it means that Nicaragua identifies itself or could identify itself with the system of democratic nations.

"...Moreover, if Nicaragua signs the Contadora Document, it has to present a plan on political pluralism at home. If it attends, the presidential summit meeting, as apparently it will, Nicaragua must accept mutual respect among nations. I will give you an example: There are Salvadoran guerrilla troops coming in an out of Honduras, yet I cannot blame Honduras because it would be unfair for me to do that. Likewise, Nicaragua complains about Honduras, and attacks that country because there are guerrillas on either side of the border. However, the Sandinists do not remember that that is how they got rid of Somoza. In fact, Daniel Ortega was in Honduran territory with that intention."

[Diaz] However, there was no Reagan in the United States nor were the Sandinists being financed...

[Duarte] What I am saying is that we must differentiate between the problems created by internal and external phenomena, and those that emerge between nations. That is why the approaching summit will be used to seek an understanding, solutions. Any of these solutions could force us to state our position and to seek peace, in a simultaneous process if necessary, because none of our countries can achieve peace if the others do not.

[Diaz] Let us be pragmatic, Mr President. If the Contadora Document is signed and verification is allowed in Nicaragua, and the withdrawal of nonoffensive weapons is ordered, while the United States continues supporting the contras with dollars, Nicaragua would be completely defenseless and vulnerable to any foreign invasion.

[Duarte] No, because the five Central American nations will be officially committed to mutual respect, and if there are no guerrillas in El Salvador, Nicaragua will also have no reason to worry about rebels.

[Diaz] Could El Salvador definitely coexist with the Sandinist regime?

[Duarte] Any country can coexist with another as long as both respect international law and do not generate problems for each other. What would you do with a government that makes economic impositions, that forces your nation to be absolutely dependent? No matter how democratic, it would destroy your country and oppress it. Therefore, one's position should be coherent. Regardless of the regime's ideology, what really matters are the commitments one must make; thus, the 21 points established in the Contadora Document. If you study these points you will find that they establish the kind of government Nicaragua should have to fulfill them, and the same goes for El Salvador, Guatemala, and Honduras. Therefore, I believe we can coexist with any regime that fulfills the 21 points stated in the Contadora document., and this fulfillment should be verifiable.

COPREFA SUMMARIZES MILITARY ACTIVITIES 12-18 MAY

PA192219 San Salvador Television Educativa in Spanish 1230 GMT 19 May 86

[Coprefa communique; no date or place given]

[Text] Following is a summary of events which took place last week [12-18 May]: During various clashes between the Armed Forces and FMLN terrorist groups, 17 terrorists were killed, 38 wounded, 4 captured, and 4 surrendered. In addition, the Armed Forces reports that 3 soldiers were killed, 12 wounded, and 8 killed in an airplane accident; plus 15 assorted rifles, 3 grenades, 98 mines, 25 lbs of sulphur, 10 lbs of potassium chlorate, 2 YAESU radios, 2 PRC-77 radios, 1 typewriter, 1 sewing machine, and a large amount of medicine were confiscated.

The FMLN bands murdered one civilian, wounded six, and kidnapped two others. They used explosive devices, which they call people's mines and revolutionary mines, to kill one civilian and wound four others. The terrorist groups continued to destroy the national economy by blowing up 15 electric poles, 9 private vehicles, 4 telephone exchange boxes, and the Agrarian Development Bank's offices in Jucuapa, Usulutan.

GUERRILLAS REPORT RESULTS OF 10-17 MAY ACTIONS

PA191213 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 18 May 86

[Summary] Radio Farabundo Marti presents a summary of guerrilla actions during the week of 10-17 May, during which our units enforced the nationwide transportation stoppage decreed by our General Command. Based on partial data received, we inflicted 123 casualties on the Army -- which included 3 corporals, 4 sergeants, 2 sub-lieutenants, 2 helicopter gunners, and a radio operator -- and made 6 ambushes on Army trucks. At La Cruz Hill, in El Mozote Canton, we dealt a harsh blow on the Morazan Battalion, inflicting 12 casualties on it. In addition, we seized one M-16 rifle, one M-79 grenade launcher, and military supplies and destroyed one .50 cal machine gun and one 81-mm mortar. Our units shot down a rocket-firing (H1-M) helicopter on 13 May. Its eight occupants -- two pilots, two gunners, and four soldiers of the Atlacatl Battalion -- were killed.

NICARAGUA

EXCELSIOR INTERVIEWS PRESIDENT ORTEGA

Part 1

PA161936 Mexico City EXCELSIOR in Spanish 27 Apr 86 pp 1, 10, 11

[First part of interview with President Daniel Ortega by Regino Diaz Redondo in Managua on 26 April -- punctuation as published]

[Excerpt] Managua, 26 Apr -- [Diaz] I have noticed an overwhelming reaction against the Nicaraguan Government by other governments in the region. They are very radical in their ideas and views and have said there can be no solution as long as the Sandinists do not give in. They have their own theories, which you know better than I, which are very thought-provoking. Could they be right that the solution should be supported by some kind of other conditions for Managua? I do not know what your opinion is, Mr President. Say, for example: Would Nicaragua sign the Contadora peace document on 6 June?

[Ortega] That will depend on the U.S. Government attitude; that is fundamental. The U.S. Government has said on several occasions that it is in favor of a negotiated solution and of the efforts by the Contadora Group and the Lima Group, and even favors a solution within the spirit of the Contadora document. If the United States agrees with the document, it should stop being the obstacle to making the document a reality. The main problem is that the United States remains the obstacle.

"...Now, a date was set, 6 June, a tentative date to sign the document. I see that two steps are necessary: first, that we Central Americans should discuss the pending points of the document. If we agree, then it would be possible to conclude drafting the document. Then there is the matter of signing the document. The signing of the document as it stands now automatically involves commitments. Nicaragua has said that it is determined to sign the document provided the United States stops the aggression. If the U.S. aggression has ceased by 6 June, and we no longer have the problems of the U.S. policy of aggression against Nicaragua through mercenary forces -- the United States is even trying to create conditions for an invasion of Nicaragua -- if those conditions have changed, then there would be the appropriate conditions for signing the document. Thus, I believe that the signing of the document would be conditioned by the U.S. Government attitude."

[Diaz] Mr President, could you condition the signing of that document to a series of two or three concrete points? For example, a recent press item says that at the moment the Contadora document is signed, the U.S. aid to the anti-Sandinists would cease.

[Ortega] That has been said on many occasions by the United States, rather, the U.S. Government. More than once, President Reagan's government has made commitments to the U.S. Congress with which it then has not complied. Therefore, if the United States as a substantial part of the conflict makes no direct commitment, if they make no direct commitment to sign the document, then we cannot be carried away by what Mr Habib or other U.S. officials have said. The document, as it has been said, should be signed, should be properly supported by all governments involved. In this case, the United States is the main factor of tension in the area. It is directly involved. It is not directly involved in a position of a negotiator, which results in the United States trying to avoid its responsibility and attempting to create with this the illusion that this is a conflict among Central Americans and not a conflict of the United States and the Sandinist revolution. That is the reality.

[Diaz] Therefore, as we all know, the Reagan government will not give in regarding the aid to the contras, unless, according to it, there is a democratic government in Nicaragua. How could there be an agreement? This cannot go on forever. What could be the conditions? Could there not be some rapprochement from either side, some sort of communication with an intermediary, as happened in the case of Vietnam in Paris in 1968, a peace talk, or something similar?

[Ortega] One must bear in mind that in January this year, the Contadora Group and the Lima Group issued the Caraballeda Document. This is a very important document because it discusses the Contadora peace document, but it also discusses a series of simultaneous actions that allow the creation of the conditions for the security, peace, and stability of the region that would make it possible to implement the peace document. That is, it is necessary to create the conditions to make the document. Among the main actions to which the Lima Group and the Contadora Group are committed is to promote the dialogue between the United States and Nicaragua. Thus, we have seen the representatives, the foreign ministers from these countries, meeting with Mr Shults to promote this dialogue. The cessation of military maneuvers and a series of actions have already been proposed. We believe that the simultaneity concept taken from the Caraballeda proposal itself remains valid. The notes we received a few days ago from Uruguayan President Sanguinetti and from Peruvian President Alan Garcia obviously also take into account the Caraballeda document and the simultaneity concept as basic elements to the signing and implementation of the peace document.

In other words, we have the Latin Ameriacan countries there really focusing on the main problem, because this is not a problem of the Central Americans. This is not a problem of Nicaragua with Honduras or of Honduras with Nicaragua, or with Costa Rica, or with the Central American countries. No, it is a problem of the United States with Nicaragua. Through coercion, blackmail, and pressure, the United States has been using some Central American problems to extend its policy of aggression against Nicaragua. Therefore, we must go to the root of the problem, in other words, to get the United States to effectively commit itself to the resolution of the conflict. That is why we believe that the proposal of Caraballeda and that of simultaneity are valid. We will promote such a situation to Contadora and the Lima Group so that they will continue the efforts that they began in January with the Caraballeda docement. Discussion of the Contadora document will probably be resumed on 15 and 16 May. We have already been invited so we can say that it will be resumed in the next few days. Contadora and the Lima Group will undertake actions to get the United States to sit down and negotiate with Nicaragua. In the dialogue between the United States and Nicaragua, we are not going to discuss Nicaragua's domestic situation and we are not going to discuss the U.S. domestic situation: we are going to discuss the problems between states. That is what it is about, to see what problems we, Nicaragua and the United States, have as states and to see what commitments we can reach to overcome those problems.."

[Diaz] Listen, Commander, you say that it will be up to Contadora and the Lima Group to force -- you did not say it, but I am saying it -- the United States to hold a dialogue with Nicaragua. There has been much comment that Contadora is not being sufficiently effective. It has also been said that neither have some Latin American countries, and that the European social democracy group has expressed itself only lukewarmly. Do you think this is true?

[Ortega] What I think is that there are very concrete elements. A very concrete fact is that the Reagan administration's policy of trying to destroy the Nicaraguan revolution through mercenary forces is an unsuccessful policy and that the new proposal of the Reagan administration is a military escalation, in other words, the Vietnamization of the conflict. In the face of this new proposal, there are very important sectors of U.S. public opinion that are not going to support that position. We are also sure that this type of proposal tends to further unite Latin America in the face of a policy that is mistaken. Therefore, to the extent that Latin America unites, Europe also unites, and the Socialist International unites. Therefore, we cannot view the attitudes of Latin America and the Socialist International as black and white. Instead, we must view them in connection with the attitude that the U.S. Government adopts.

"To the extent that the U.S. Government adopts a destructive attitude, persisting in its position of hindering the Nicaraguan revolution, of not seeking a negotiated political solution, of not acquiring commitments, and of not seeking a resolution of the conflict directly with Nicaragua, then the U.S. political position becomes isolated from the Latin American political position and there is no concurrence but a separation from the European positions.

"I believe we are facing such a development in which Reagan continues to stubbornly stick to his policy, and he even wants to go a step further to overcome the mercenary forces' inability to destroy the Nicaraguan revolution. He now wants to overcome it with the participation of advisers, with a greater supply of weapons, and with a more direct involvement that will lead to the Vietnamization of the conflict. No longer does anybody believe Reagan's premise which he tries to justify as an element of necessary pressure so that there will be negotiations with Nicaragua. Everyone agrees in pointing out that the United States must hold a dialogue with Nicaragua and seek a resolution of the conflict. To the extent that Reagan becomes isolated due to his policy, we then find that the Latin American and European positions further agree with the position based on Nicaragua's need."

[Diaz] If this peace document is not signed, would there not have been too much wear and tear on the Contadora Group? Could there come a time when Contadora could turn into a sort of useless form with no substance?

[Ortega] I believe that the Contadora and Lima Groups were not created to draft documents. That is not their objective. Their objective is peace -- peace in Central America, solutions for the pacification of Central America. As long as there are conflicts in the region, there will be a need for efforts by Latin America to keep the conflict from spreading and steer it toward a peaceful solution. The role of Latin America is seen now as being vital, with or without a peace document, because Latin America could well say that, since there is no document, well, we will withdraw. However, what would the withdrawal of Latin America mean within the context of the peace it has been promoting? It would mean the weakening of Latin American positions, leaving the door open to aggressive policies like the one of threats and disrespect to Nicaragua that is being applied today and that could be applied to any Latin American country tomorrow. It would mean setting a precedent that could endanger the security of any Latin American country.

"...This is no longer really a conflict between the United States and Nicaragua, but a conflict between the political stance that the United States has traditionally maintained toward Latin America -- its treatment of our countries -- the political position that Latin America is defending at present -- its position of calling for a new type of relations with the United States, one that is more respectful of the international order and more respectful in relations with other countries, especially when they are friendly relations as they are with many Latin American countries.

[Diaz] Has the support of European countries for the Nicaraguan revolution been sufficient, or has it been more theoretical?

[Ortega] We receive very significant support from Europe, especially in the political field. Europe and other countries have spoken out clearly against Reagan's policies toward Nicaragua, and in the economic field there has been a sustained stream of cooperation with Nicaragua.

[Diaz] Is it enough?

[Ortega] I think that to speak of enough in these moments of international crisis would be utopian. The truth is that we have had a good response from Europe and we know that it comes amidst internal debate, even though there are certain political sectors that are against support for Nicaragua. That is why there are discussions and debates. Despite this opposition that exists in certain sectors toward Nicaragua, the support for Nicaragua has been maintained. We value the support, although Nicaragua's needs are so great that we have to say that the international cooperation does not supply what Nicaragua needs to face up to its economic problems.

[Diaz] Mr President, what economic and psychological support does Nicaragua receive from the socialist bloc?

[Ortega] We receive pluralist international cooperation. I would therefore say that from the psychological viewpoint, what we have is a pluralist perception of international cooperation. In other words, we do not have an unbalanced perception. We have a balanced perception in which, shall we say, the flow of material cooperation in line with political attitudes from Latin America, Canada, Europe, the socialist community, Arab countries, etc. is the determining factor, from the psychological viewpoint, in the Nicaraguan revolution's policy of nonalignment.

[Diaz] Mr President, is economic aid received specifically from socialist countries?

[Ortega] Yes, we do receive aid from socialist countries. It is very significant on the part of Cuba, the USSR, and the GDR. The socialist countries as a whole cooperate with Nicaragua.

[Diaz] There is a subject that we cannot leave out. The Governments of El Salvador and Honduras say definitely, and you know this better than I do, that the Nicaraguan Government is Marxist-Leninist and expansionist. Define your government for me, Mr President.

[Ortega] We are not expansionist. We are indisputably a revolutionary government. We don't see Marx and Lenin as the devil. On the contrary, we believe that they have contributed to the history of humanity, and we defend a revolution with a high content of nationalism. The Sandinist revolution has a fundamentally nationalistic content, as we have already pointed out, and it is aimed at strengthening a historic response to the great economic, social, and political adjustments that Nicaragua has experienced. In other words, it is in that direction that the Nicaraguan revolution is moving, and at no time is it expansionist. It is not an expansionist revolution, it is a revolution aimed at consolidating the revolution in Nicaragua.

"...We have always opposed those who like to think that the revolution can be transferred mechanically from one place to another; that the revolution can be exported. We consider that it is not possible to export revolutions or mechanically transfer revolutionary experiences, rather these things happen in places where there are conditions for revolutions. Therefore, those who affirm that Nicaragua is expansionist do nothing more than repeat the U.S. Government's postulate, used to justify its policy of aggression against Nicaragua. It is not because they feel that way, but because they have been conditioned to repeat this theory. In other words, when some Central American political leaders make this statement about Nicaragua, they make it to fulfill instructions they receive from the United States, but it isn't that they are thinking or feeling that way."

[Diaz] Then, what is the difference between Sandinism and Marxism?

[Ortega] I believe Sandinism came into existence at a certain historical moment in Nicaragua, as an answer to an interventionist policy. Sandinism is the summary of the Nicaraguan people's struggle from independence to the moment of Yankee intervention, at which time Sandino led a resistance and the people formed an idea, a philosophy that was accompanied by action. If we analyze the Nicaraguan people's struggle throughout history, we will observe that we were missing some sort of an excuse, a philosophical pretext at the time of Sandino. We were lacking a philosophical occasion for an ongoing struggle. We were lacking a program for the struggle that was being waged.

"...In other words, in the last century there was resistance against intervention and against Yankee expansionism. When the century began, there was resistance against Yankee occupation. Later, the Yankee intervention took place and Sandino resisted this intervention. What did Sandino then achieve? Sandino managed to gather all this experience and combine it into an idea that defended the self-determination of Nicaragua, the independence of Nicaragua. It was an anti-imperialist idea that was deeply anti-Yankee, and that brought up a social problem situation, wherein Sandino demanded a social solution for the benefit of the peasants, for the benefit of the workers. For the first time in the history of Nicaragua, Sandino managed to present a option in the face of the imperialist control by means of the oligarchic conservative and liberal parties. They were the ones who were (?resisting) Yankee oppression. The people were waging a social battle, but they did not have anything to hold on to. Sandino gave them an instrument. He passed on an idea to the Nicaraguan people and he left us a school of thought, which is the school of thought of the FSLN.

"...Of course, Sandino's ideas are not native in the full sense of the word -- no such ideas exist anywhere in the world, yes? Ideas are, let us say, part of man's existence on earth, which evolve from universal thinking. In other words, we cannot talk of ideas limited to the boundaries of a territory. Ideas extend beyond, far beyond territories, as we well know. Thinking is a property of humankind. Ideas are not owned by the nation where the thinker was born. Therefore, in his thoughts Sandino drew from liberalism, from Christianity. They contain elements from Freemasonry, from philosophy, from Marxism also, and from the Mexican experience. The Mexican revolution left a deep mark on them. Therefore, this man, who could see theproblems in Nicaragua, who went through the experience of the struggle against the imperialist invasion, who was also exploited as a coffee picker, gradually shaped his ideas, relating them to the struggles of the Nicaraguan people. Those were the origins of Sandino's ideas.

"...We enriched his ideas, which serve as the foundation of the FSLN, not only with Marxist ideas but with revolutiomnary ideas and experiences as well. We view the most recent case -- the Cuban revolution -- as a very valuable experience, as a very deep social revolution in Latin America and we could say that the Sandinist thinking draws sustenance from it and from the experience of the Nicaraguan people. That is how this the thinking has gradually developed."

[Diaz] Commander, they claim that the Nicaraguan Givernment is expansionist because it helps the Salvadoran rebels.

[Ortega] This is one concept that can be easily refuted. It would suffice to ask them, or Mr Duarte, or the Salvadoran Army commanders, or the U.S. President: If the Sandinist revolution had not triumphed in Nicaragua, if Somoza were in Nicaragua, now, in 1986, in April, would there be, or would there not be a struggle going on in El Salvador? So, it is clear that the causes of the struggle which the Salvadoran people are waging -- and this has even been admitted by U.S. analysts who studied them as well as by President Reagan's own analysts -- are social injustice, the exploitation these people have endured, the absence of freedom, and the absence of justice. Those are the causes of their insurrection.

"...The Sandinist revolution is not the cause of this insurrection. In other words, we are not discussing here whether or not to give Salvadoran $100 million in aid. This does not worry Salvadorans. They have their own dynamics and are not depending on whether or not they get rifles from Nicaragua. They are stuggling and get their rifles from the Salvadoran Army. They are not depending on anything they can get from other countries, contrary to reports that they depend on what they get from Nicaragua and other countries. No such dependence exists. There is no such flow of weapons from Nicaragua to El Salvador; what there is, is a struggle -- over the needs of the Salvadoran people -- and it cannot be compared with the terrorist activities of the mercenary forces which depend on the financing they get from the U.S. Government."

[Diaz] What are you planning to propose at the Central American presidential summit to be held in Esquipulas, Guatemala in May?

[Ortega] In this regard, I could speak generally. In the first place, during President Cerezo's inauguration, we discussed that summit, and we agreed that it is necessary to improve Central American dialogue. The summit is a very important initiative taken by Guatemala, and during President Cerezo's inauguration, we pledged to attend that meeting in Guatemala. Why? Because we have a conflict on our hands; the Central American peoples have problems, and we have an awareness of those problems. Thus, it is essential that we talk and exchange opinions and views in that regard. These conversations have not been possible in all these years of crisis. That is to say in all these years of crisis, we tried to meet with Central American presidents. We proposed this type of meeting; we attempted to hold bilateral dialogues with Central American nations. However, we made no progress.

"...Despite the U.S. determination to hinder a Central American dialogue, the Central American rulers showing a great degree of maturity and responsibility, agreed on the need to hold talks, even if the United States disagrees with them, and continues to exert pressure and carry out actions to prevent the dialogue. Each Central American government has a responsibility toward its own people, thus, dialogue is necessary. That is a fact.

"The various regional governments, with their different political beliefs, different ideologies, and different problems, but with some common problems such as the tension our countries are experiencing -- which could bring about an attempts to increase escalation of military action, would not benefit any Central American country -- have to yield and realize that dialogue is necessary to solve the crisis that the United States is trying to intensify in Central America.

"...We are also interested in supporting the Central Anmerican parliament, which is also a Guatemalan initiative. We believe that the Central Ameican parliament can immediately become a political instrument in favor of peace. We have to remember that when dialogue was practically impossible to achieve, the Central American parliaments and the region's parliaments met and communicated among themselves. That is to say, the Central American parliaments have been a fairly firm and fluent vehicle of communication even at the moments of greatest tension, such as those of harsh confrontation between the various governments at the executive level. Even when diplomatic relations between the countries have been about to be broken, dialogue among the various parliaments has continued, and has been an instrument to help prevent such ruptures.

"...We support a Central American parliament. In addition we have a common economic problem. We already know the difficult situation that the entire Central American region is experiencing, and we have to take practical steps to face that common problem. Therefore, we have enough material for discussion at the meeting in Esquipulas."

[Diaz] Other Central Anmerican countries beieve that coexistence with a Marxist government is not possible. Can you coexist with a Christian Democratic government like that of El Salvador or Honduras?

[Ortega] I think that they use a language derived from the U.S. aggressiveness toward Nicaragua. Deep down, I think they are convinced that they can coexist with a government of a different ideology in Central America. For example, I talked to President Duarte and he agreed that Central American governments of different ideologies can coexist, as long as one government is not attacking the other, or serving as a base for aggression against another country. That is the starting point for achieving that coexistence.

[Diaz] Commander, do you think that at this point a U.S. invasion of Nicaragua is more imminent than ever?

[Ortega] Look, we have been stressing the danger of an invasion. That stems from the U.S. wish to defend a policy of force against Nicaragua, and its determination to avoid a negotiated solution. Thus, there have been moments of increased tension. The United States has clearly threatened intervention or direct aggression against Nicaragua, but we think that the international and domestic reaction has held off that possible threat. Above all, the studies done by the U.S. Government and the Pentagon regarding the costs of an invasion is there; it is still there. As long as the United States and President Reagan continue to be obsessed with the need to extirpate the cancer of the Nicaragua revolution, as Reagan literally describes it, the danger remains. We are defeating his instruments of aggression, which are the mercenary forces, and President Reagan continues to be determined to destroy Nicaragua. He has requested military aid, and announced the introduction of soldiers into the mercenary forces. All those factors increase the possibility of an intervention.

"...If U.S. military advisers act in support of the mercenary forces as they have been doing, but with the authorization of the U.S. Congress and the U.S. President, they could be killed in a clash on the border. However, without congressional support, President Reagan would be acting illegally and making decisions arbitrarily. However, if in the future President Reagan obtains bipartisan support for involving military advisers, the war that is taking place in the border area would endanger their lives. Since the United States has troops and the necessary military equipment in Honduras, we could soon be faced with a war between the United States and Nicaragua in that border territory."

[Diaz] How would you face up to that war?

[Ortega] We are indisputably in a difficult situation. We will not be boastful when faced with a world power like the United States. but we have no choice but to face up to it, because we are not going to surrender; we will not yield; we will not betray the revolution. We have no choice but to face up to the United States, and we will face it with the people's rifles. We will not fight the United States with planes. We do not have the military power to fight the United States with planes, or rockets or sophisticated weapons. That is not possible for us. We would fight the United States with the rifles in the hands of the people.

[Diaz] What if you find yourself cornered to the point of having to request assistance from the socialist group, the Soviet Union, or Cuba?

[Ortega] I think that this is a struggle of the Nicaraguan people. If such a situation occurs, we Nicaraguan people are the ones who will have to fight that war. It is a struggle that will set fire to Central America. We are sure that in such a case, the Central American countries and the Latin American countries would respond. That is to say, I think that this is a struggle that involves the Latin American peoples more than those of other continents.

Part 2

PA170000 Mexico City EXCELSIOR in Spanish 28 Apr 86 pp 1, 10, 11

[Second and last part of interview with President Daniel Ortega by Regino Diaz Redondo in Managua on 27 April; punctuation marks as published]

[Excerpt] Managua, 27 April -- [Diaz] It is said that the Sandinist government is creating many problems for the Latin American countries that support it. This has obviously been stated in private by several foreign ministers. It is said that it is creating political, economic, and all types of problems. I think that in the case of Mexico -- you know this more than I -- it is receiving many pressures from the United States. How much more can the Latin American people, a Latin American country, a group of Latin American countries, a support group, withstand these U.S. pressures and continue to maintain their support of peace in Central America, not their support for the Sandinist group but their support for peace in Central America?

[Ortega] I view that concept inversely as it actually exists, right? In other words, the United States is creating grave problems for Latin America. This is not the first time that the United States has created great problems for Latin America. The United

I think it is evident to everyone that the United States has invaded Latin American countries, that the United States has stolen territory from those countries, that it has militarily occupied Latin American countries by force, that it has overthrown governments. So it is the United States that creates problems for Latin America because it has a bad policy towards Latin America, because it sees Latin America as a colony, because it gives us colonialist and neocolonialist treatment.

"...The United States has not overcome its bad relations with Latin America by maintaining this war with Nicaragua; it is creating problems for Latin America because it is trying to institutionalize the big stick policy in Latin America. It is doing so now, when Latin America has other vital problems to solve. We have the economic problem which we are always going to have with the United States because it is determined to maintain a system of financial relations, a system of economic relations, a system of trade relations that have been exhausted, but that it wants to maintain at the cost of the sacrifice, the bondage, and precisely the annihilation of the Latin American nations.

"...We have the Latin American countries facing an enormous problem created by the U.S. policy. The problem of Latin America with regard to the United States is a problem that is based on bad U.S. policy in the political, economic, financial, and trade fields. The United States continues to turn a deaf ear to Latin American officials. I would say that the Latin American problems and the struggle for peace in Central America can no longer viewed separately. We cannot speak on one side of the debt problem and on the other side of the problem of peace in Central America.

"...We cannot speak of the trade problems, of the problem of the drop in the prices of petroleum and our export products, and of the increase in the price of the imports without mentioning the political problem. They are all a part of the problems that have to do with the historic relationship between Latin America and the United States. I would say that we are living through truly decisive times for the future of the relations between the United States and Latin America because throughout the history of the relations between us, we find some Latin American attempts to overcome these unjust relations, but those attempts were not successful.

"...The spirit of Bolivar is maintained in Latin America but it has not achieved a greater dialogue and convergence. It has been used to attack other Latin American countries as an instrument of U.S. policy. It has been used to blockade and isolate Cuba and to carry out the invasion against Guatemala and against Santo Domingo. We also see Latin America used, divided, and easily dominated in economic terms by the United States. We are thus experiencing historic moments because there is a Latin American convergence in which the governments and peoples are demanding from the United States a new relationship in the economic, political, and financial senses. That is the order of the day, but of course the United States does not want to accept that type of relationship and is making great efforts to make Latin America yield. That is the reason for the great pressures it is exerting.

"...Even if we did not have the problem represented by the U.S. presence in Nicaragua, we would still see the United States trying to bend Latin America through the economic problem. We would still have the problem of the foreign debt and the big commercial problems. The United States would still try to split Latin America, pressuring it again in order to subjugate it.

"...There is, however, a Latin American accord to worthily, firmly, and in a friendly manner call the United States to reflection. We could not say that Latin America is an enemy of the United States. Despite its disagreement with the United States, Nicaragua would not agree to make an appeal to Latin America's unity to wage war on the United States. This would be entirely absurd and illogical. This is to say, we advocate Latin America's unity for truly friendly relations with the United States in every sense. This entails respect, listening to the other party, and seeking logical and reasonable solutions for the various economic problems, solutions that can benefit the two parties. This is what is at stake at present.

"...Once again, the United States wants to assert itself in Latin America, and Latin America is determined to have the United States change its stance. This struggle is going on. I think in this struggle that the United States has made great efforts to destroy the Nicaraguan revolution. Reagan is bent on this. Quite naturally, Reagan starts out with the premise that, by destroying the Nicaraguan revolution, he can weaken Latin America's resistance.

"... We must take this into consideration. Nicaragua does not belong to any one military bloc. Nicaragua is no military power. Nicaragua is a moral power, with an armed people. If a small and impoverished country like Nicaragua has been able to reisist the enormous U.S. pressures during these 4 years, let us imagine what would happen should all the great Latin American countries unite. The United States would of necessity have to choose between a changed stance or war with Latin America, which would not make any sense at all.

"...The United States also wants to destroy the Nicaraguan revolution because it is a poor example for Latin America, the peoples, the governments. What does Nicaragua tell the Latin American peoples? What does Nicaragua say to the Latin American governments? Nicaragua says to them that it is possible to confront U.S. pressures no matter how powerful they are, that it is possible to resist and overcome them. Thus the importance that defending the Nicaraguan revolution gains within the framework of defense of Latin America's current struggle."

[Diaz] Mr President, in order to be realistic, I must insist on this. Don't you think that the defense of Nicaragua is another problem for Latin America in its struggle for political emancipation? In other words, I am not talking about the Mexican, Nicaraguan, or Peruvian presidents. What I mean to say is that the impoverished peoples are not going to rebel against the United States, Mr President, they are going to rebel against their own governments. Nevertheless, there are revolutionary governments, such as the Peruvian Government, and it could happen that U.S. economic pressures, in addition to the political problem in Nicaragua, could create a political agitation which, I insist, could make each one of the Latin American countries explode.

[Ortega] Yes, I believe that we cannot separate the political problem from the economic problem. they cannot be separated, as they are both part of the whole. In other words: Why does the United States insist on a particular economic policy in Latin America? For political reasons. Because Latin America's political emancipation, is at stake. This is why one thing cannot be separated from the other.

"...And it is true that the risk of social explosions in each Latin American country exists with the worsening of the economic crisis. However, there is also the risk of social explosions that could imperil or endanger democratic regimes.

"The democratic opening in Latin America will be determined by the attitude assumed by the political parties, political forces, and by the governments themselves, because there is no reason why the people and government should clash. In other words, Nicaragua is going through a serious crisis, with the war and other problems. However, here the people do not clash with the government because they can see clearly who their enemy is: the U.S. policy. Hence the people's morale is high, they have a fighting spirit, are able to sacrifice in order to face the problems and difficulties and continue struggling for their total emancipation."

[Diaz] Mr President, the [U.S.] House of Representatives has just approved a $1.7 billion package which means a temporary defeat for Reagan and the White House's policy of allotting $100 million for contras. Could this in any way change Nicaragua's attitude in the sense of making some kind of concessions to facilitate the signing of the Contadora Group's peace act?

[Ortega] I think that we must wait for the congressional voting, for the voting on the so-called aid for the mercenary forces. That voting will be of great significance, because approval would mean voting in favor of the mercenary aid. Each dollar, each cent approved would constitute political support for President Reagan's position. That is really what is being analyzed. If that proposal is defeated, then I believe that the U.S. Government will have to think. In other words, the U.S. Government should be the one to take a step, to make a gesture, and not the Nicaraguan Government, which is a victim of the attacks. I think that the situation is clear in the sense that Nicaragua is the victim. In other words, what steps or gesture could Nicaragua adopt? I believe that the U.S. Government should consider: If there is no international support, domestic opinion is not supportive, and the policy is considered to be mistaken...then, what should be done? To sit down and talk with Nicaragua in order to see how we can reach an agreement on the problems that are a matter of concern for the two countries.

[Diaz] During the upcoming summit of Central American presidents, could it be proposed that talks between the contras and the Sandinists be held simultaneously with talks between the Salvadoran rebels and government?

[Ortega] I think that there is no reason to discuss those points at that meeting. We have already said that parallel talks are not acceptable. We received a letter from a Central American president bringing up this point. We replied that there is no room for parallel talks. The situations are totally different, qualitatively and substantially different.

[Diaz] You will never talk to the contras?

[Ortega] I have said that we are willing to talk to the contras' leader, who has described himself as a contra: the President of the United States.

[Diaz] Mr President, why are there no political parties in Nicaragua?

[Ortega] If you go out in the streets you will find that there are political parties.

[Diaz] Registered?

[Ortega] Yes, registered. We have seven registered political parties in Nicaragua. There are others, three or four, that are not formally registered. Seven of the parties are members of the Assembly and are registered. However, there are four others that are registered, and one of them is legally acknowledged. [sentence as published] The others also function, although they are not legally acknowledged.

[Diaz] Why then are new elections demanded from abroad?

[Ortega] In Nicaragua we are up against a U.S. policy that has established a political sounding board within the country in these political parties that do what the United States tells them to do. That is, they refuse to recognize the institutional framework the revolution has generated. They want to return to the institutional framework that existed during the Somoza era. In other words, they want Somozism without Somoza and the defeat of the revolution. They are the U.S. agression's political branch within the country.

[Diaz] It is said that you use the threat of a U.S. invasion of Nicaragua to maintain a totalitarian system, to promote a revolution that is not Sandinist but, I insist, Marxist. What do you say to this?

[Ortega] I have said on many occasions that we are willing to lift the restrictions that exist in Nicaragua at the very moment the aggression ends. We are defending a mixed economy regime that exists; political pluralism also exists. We have a parliament represented by seven political parties. We also defend a policy of the restrictions adopted due to the aggression Nicaragua is facing, and that has been used as a pretext for Nicaragua to be accused of what you just stated, and of taking advantage of the U.S. aggression, the danger of a U.S. invasion, to radicalize the revolutionary process. This is not the trend we have been defending.

"...I would say that in Nicaragua there is a credibility problem, because the United States says one thing and is supported by some internal political forces. The revolution says something else. We speak the truth. I believe that one must see the truth, and the truth is that in Nicaragua we held elections in the midst of aggression, and no one was denied participation in these elections. The political parties that did not participate did not do so because they did not want to, not because they were denied participation. Even the CIA party, the party of this Mr Arturo Cruz, which was later proven to be paid by the CIA, this man's party campaigned in the streets; the party was given the opportunity to participate in the elections. But because he was a CIA agent and his job was to sabotage the elections, to demonstrate that they were illegal because all of the parties were not participating, they simply did not participate."

[Diaz] Would you all be willing to stage elections in the near future?

[Ortega] That will be decided by the National Constituent Assembly. The Constituent Assembly will decide the type of political, social, and economic regime that Nicargua will have, the type of electoral regime that Nicaragua will have. It falls to the assembly to ratify or rectify what has been done up until now.

[Diaz] I would say that for the first time in Nicaragua's history there is freedom of expression, because up until the Somoza era the oligarchic, liberal, and conservative groups monopolized the press.

In other words, the workers did not have access to the media. With the revolution the workers and peasants were given access to and a voice in the media, which really defend their interests. Meanwhile, we are not trying to deny the existence of traditional media. This means that the revolution has preserved the media of the past, which defend the capitalists' interests, the interests of the exploiters, the interests of the Yankee-dominated, even the interests of the Yankee intervention. I believe that freedom of expression has reached this degree in this country, because you can read newspapers such as LA PRENSA which, as is publicly known, is financed by the CIA and defends Reagan's views; but well, the newspaper is there.

[Diaz] What is your opinion of the U.S. attack on international terrorism in Libya?

[Ortega] I believe the U.S. Government attitude is very dangerous. It is very dangerous because with the pretext of fighting international terrorism, which is the U.S. Government characterization, that country launched a terrorist attack against the Libyan people. The United States murdered the Libyan people and destroyed homes. That is what we saw on television, how they destroyed homes, how they murdered the civilian population, and if this continues we will be giving any world power the right -- according to its strength -- to do what ever it wants to, and to interpret international terrorism however it wants to. In other words, tomorrow any world power could say that any given state carried out terrorism and proceed to attack that state.

"...And in Nicaragua's case, I believe that according to President Reagan's views, Nicaragua would have every right under these circumstances, in which it is being attacked by the United States, to go to the source of terrorism and drop bombs on Washington. Why? Because terrorist actions against Nicaragua are being decided in Washington; from Washington comes the financial aid for the criminals that come to murder the Nicaraguan people; in Washington, in the U.S. Congress, there are debates under way at this moment on whether $100 million or $30 million, or $40 million should be provided to continue murdering the Nicaraguan people; because the terrorists directed by Reagan come to destroy schools, they come to destroy health centers, they come to murder the peasants, they come to murder children.

"...Terrorism is promoted in Washington by the U.S. President. According to President Reagan, who wants to attack the source of terrorism, we would have to attack Washington, to bomb Washington. We are facing a totally prepotent and arbitrary policy that violates international law, is dangerous for world peace, and especially dangerous for small nations. Today Reagan is attacking Libya and we protest this and are in solidarity with the Libyan people. Tomorrow Reagan could also bomb Nicaragua and invade it."

[Diaz] Could this action be a warning for Nicaragua, as some sectors say?

[Ortega] I believe it is a threat for Nicaragua and for all countries, especially the countries that belong to the Nonaligned Movement, which are struggling for self-determination and independence. It is also a threat for Latin America. Reagan will try to frighten Latin America with this action, to make it hesitate in regard to its positions on peace and economy. However, we are sure that Reagan's action will be rejected, it is already receiving international rejection.

[Diaz] What is the political outlook in the wake of the problem between Libya and the United States?

[Ortega] The Soviet Union reacted by cancelling the foreign ministers' meeting, which at any rate meant that there was an expectation in favor of a solution or response to the major overall problems concerning military matters.

There was an expectation regarding the response to problems that demand a peaceful solution. That meeting was a prelude to a Gorbachev-Reagan meeting in favor of disarmament and eradicating the so-called Star Wars. And so, what happened? With this action, Reagan has removed the possibility for world peace, and created tension in the world, and, therefore, he brought us closer to a world catastrophe, because he has provoked and attacked a country, and that country is fully entitled to defend itself. Libya has that right, and that could bring unpredictable consequences.

[Diaz] Tell me something. Why haven't those nations which can truly do much more than just verbally protest taken measures, not counterattack measures, as in the case of the Soviet Union, but rather to poise their naval or air weaponry around certain areas as a deterrent? Why isn't a countering psychological [as published] force created? And, why is [the United States] allowed to warn the Soviet Union 1 and 1/2 hours beforehand, or at least that is what the United States announced, and the Soviet Union withdraws its vessels from the Gulf of Sidra, or nearby? And, forgive me, commander, this question concerns another matter: Why haven't Cuba and the Soviet Union come out more forcefully in favor of the Nicaraguan revolution?

[Ortega] I believe that the world problems are so delicate and sensitive that they call for mature, calm, and firm reactions on the part of countries like the Soviet Union, because of their responsibility to the world. I mean to say that we must consider that if those countries that have nuclear resources and arms are swayed or allow themselves to be angered by the U.S. attitude, if they succumb to that attitude, the world will quickly disappear.

"...Thus, I feel that the Soviet Union's attitude is a responsible one. The Soviet Union has a responsibility to its people and to mankind. The United States also has that responsibility. However, they have a reckless, irrational person at the helm, whose team of advisers is also deranged. One cannot face one madman with another madman. That is, in the face of that madman, we must try persuasion, reasoning, until the U.S. people listen to reason and come to see the seriousness of the situation. I believe that the Soviet Union's stance has been responsible."

[Diaz] But meanwhile, people continue to die; the insane government continues hitting while the sane government continues adopting sensible stances, and something like what happened in Hitler's time is going to occur. The insane government continued to hit, prompting the deaths of 20 million people during World War II.

[Ortega] Indeed, but I believe that a worldwide reaction is taking shape to isolate Reagan's terrorist action. The fact that Reagan had to cope with a Europe which refused to permit the use of its air space, and that only one European country supported Reagan in his adventurist action against Libya tell us that that policy has its major weaknesses. Moreover, it remains to be seen what reaction or impact this action will have within U.S. society.

"...And the Soviet suspension of the foreign ministers' meeting has to call the attention of the international community because the danger of war always exists. The arms race danger is always there, and the United States is not acting on behalf of peace. That situation has to worry U.S. European allies, because the United States is drawing Europe into the conflict. The United States is not taking this conflict to its own coasts, and its own territory; rather, it is taking the conflict to Europe and leaving the conflict there. The U.S. attitude in this respect has been very self-serving. However, we must await the reactions and see how the crisis develops, becuase I believe that this crisis is just beginning."

[Diaz] However, Mr President, that is just a matter of time. As you know better than I do, in politics, there are times that one must take advantage of, but if powers equal to the attacking powers do not take advantage of these times, not to attack -- I insist -- but rather to make serious personal, private, and public warnings through major public declarations, then the attacking government, the government that strikes once will strike twice, that is, the first to attack will attack a second time; and so, aren't we sacrificing people for the sake of sanity, aren't human lives being sacrificed? To what extent is it worth it?

[Ortega] I told you that a very, very sensitive and delicate situation exists. I think the Soviet Union's reaction must be understood. First of all, who is responsible for this reaction? Its origin is a power, the one that makes military deployments, and that brought about greater tension, which did not lead to the solution of the problem. If there is an alternative answer, however, this could lead negatively to the unification of forces round the U.S. Government's arrogant, aggressive, and provocating policy.

"...I think Reagan's actions have led to a political and moral isolation. At this time, and considering the current nuclear power in the world, moral and political force is overwhelming. This is to say, whoever makes a show of force, just as Reagan has been doing, can achieve a "positive" effect in agreement with his strategy. Later, however, this is turned the other way around when it proves to be a venturesome action, a dangerous action against peace in the world, when what is being strengthened in the mind of the international public is the stance of the nations that act with aplomb, firmly and reasonably. I would say then that the political isolation, which may be the result of this Reagan against Libya, will determine whether we will be able to tell in the near future whether Reagan succeeded in moving forward or backward in his warmongering policy. That remains to be seen.

[Diaz] What has been the nature of Mexican-Nicaraguan bilateral relations; and also, as regards Contadora? Has Mexico continued to sell crude oil to Nicaragua?

[Ortega] Our relations with Mexico have been excellent, and continue to be. We have found Mexico's stance in the Contadora negotiation process to be very constructive. I would say Mexico has succeeded in defending Latin America's stance. Mexico has maintained this stance and continues to do so. Now, regarding crude oil, Mexico is willing to continue to sell crude oil to Nicaragua. Nicaragua has serious economic and financial problems. We are in debt to Mexico. We are very thankful for Mexico's support through the sale of oil and in other ways. By reason of financial and economic difficulties, which Mexico has also been experiencing, Nicaragua is now being supplied with oil given by other countries, specifically, the Soviet Union, and some Arab countries, Libya, and Iran.

[Diaz] Does this not make Nicaragua dependent on other countries?

[Ortega] This does not necessarily have to make Nicaragua dependent on another country so long as these relations are kept without conditions. Our relations with the Soviet Union, Iran, Libya, and other oil countries do not have any strings attached. Algeria has also delivered oil to us with generous terms. As you can see, these are some very important countries.

[Diaz] I do not want to take too much of your time. Generally speaking, do you agree that the foreign debt must be paid?

[Ortega] One thing is for sure. There are creditors and debtors. The truth is that the debtor cannot pay the debt, even if he repeats and swears that he is willing to. He cannot. That is the truth. It can be easily proved that it is impossible to pay, despite the great efforts in production, and the effective measures. It is impossible to pay this debt.

"...Also, the collector's role is an impossible one. He wants to collect, but he does not get anything. Neither can I pay nor is he able to collect. This is the truth. Some other solution for this problem must be sought."

[Diaz] What would this solution be?

[Ortega] Economic, commercial, and financial relations must be completely changed. They must be completely changed. Current relations are obsolete.

[Diaz] Nevertheless, those who lent the money are also entitled to collect even a small part of the debt, are they not?

[Ortega] They would spend their entire lives trying to collect and get nothing. That is the problem. It gets more and more difficult for the debtor to pay due to the creditor's enormous pressure. The creditor's pressure and the terms with which he wants to corner the debtor are so tremendous and terrible. The IMF has been serving as an instrument to such an extent that they are succeeding in weakening the debtor's ability to pay more and more.

[Diaz] Mr President, as the leader of a revolutionary government, what would you tell or ask Latin America in these very difficult moments?

[Ortega] I would tell them this is a decisive time for Latin America. I have said that Latin America's future is at stake here. Latin America's future and hope for development, genuine political independence, a greater democratic opening, and a consolidation of democracy in Latin America will be determined by our political, economic, and commercial decisions regarding the United States.

[Diaz] Do you think that the United States will permit what goes against its interests? Do you really believe this?

[Ortega] The United States has a problem. It does not realize what is good for its interests. That is the problem. In other words, the United States acts like one who sticks to traditional ways of exploitation, does not want to become modern, and does not realize that becoming modern will improve its standard of living, right? Therefore, with regard to Latin America, the United States is closely adhering to its traditional methods of exploitation. That is, it cannot be said that, because of a change in relations between the United States and Latin America, there will not be a situation -- let us say -- there will not be a certain imbalance because of the United States' level of development.

"...In other words, Latin America will continue to be a market for the United States, yet with greater purchasing power for the United States, a market with greater production and supply capabilities for the United States, Europe, and Latin America."

OPPOSITION BOARD'S MESSAGE TO L.A. LEADERS

PA160348 San Jose LA PRENSA LIBRE in Spanish 8 May 86 p 13

[Message of the Nicaraguan Opposition Coordinating Board, CON, dated 8 May in San Jose; uppercase passages as published]

[Excerpts] Your Excellencies, presidents of the Contadora and Support Groups; Your Excellencies, presidents of the American continent; Your Excellencies, high dignitaries of democratic governments:

CON, an organization which unites Nicaraguan political, labor, and business groups in exile, and which supports the Nicaraguan Opposition Unity (UNO) in the struggle to liberate the fatherland, conveys to you a cordial greeting on the occasion of your visit to the brother nation of Costa Rica -- an example of democracy in America and headquarters of our group -- for the inauguration of Oscar Arias Sanchez as president of the Republic. We respectfully address you to express the following:

Together with the other Central American countries, Nicaragua's Marxist-Leninist dictatorship has been summoned to sign the CONTADORA DOCUMENT FOR PEACE AND COOPERATION IN CENTRAL AMERICA. In the face of that situation, we feel patriotically obligated to point out:

A. The peril that exists because, according to an article published in Managua pro-government newspaper EL NUEVO DIARIO on 25 April, the Mexican Government has hinted that it wants to persuade Nicaragua to sign the Contadora Document without having to provide sufficient guarantees that it will effectively and subsequently comply. Let us remember that in keeping with the tradition of its ideological counterparts, the Marxist-Leninist FSLN regime may sign on the appointed date, knowing that it will not fufill its commitments.

B. There is a great risk that the totalitarian FSLN regime may sign the document and seek to gain time through the use of delay tactics regarding points it never meant to comply with so that Soviet imperialism can continue with its plan to expand throughout Central America, the Caribbean, and South America. Let us not forget that under the FSLN military dictatorship Nicaragua has not only become a center of international terrorism where Libyan, Iranian, Basque, and other groups have their offices, but also, since the Sandinists took over, it has practically become a haven for Latin American guerrillas such as the M-19, ALFARO LIVES, FMLN, ORPA [Revolutionary Organization of the People in Arms], CHINCHONEROS, and others which threaten the stability of the democracies of our continent. The East-West conflict, which the Contadora and Support Groups tried to prevent in Central America during their almost 40 months of arduous work to achieve peace, has acquired alarming proportions. This is so because of the FSLN government's frank alignment with the Soviet bloc, which seeks to find new, strategic positions in the West which will favor it in the event of a clash with the United States. The Soviet bloc has not stopped providing sophisticated weaponry to the Managua regime. So now Nicaragua is an armed power, which besides oppressing its own people, constitutes a real threat to international peace and security.

C. We reject the opinion of those who believe that Nicaragua's problems will be solved through bilateral peace treaties with neighboring nations or through a compromise between the U.S. Administration and the spurious FSLN government. We are fully convinced that the international conflict we are all trying to stave off is the direct result of Nicaragua's domestic problems. In turn, these problems stem from the treason of the so-called Sandinist Front which, through the force of arms and in a permanent way, is determined to establish its Marxist-Leninist project. The outstanding feature of this plan has been a systematic violation of the human rights of the Nicaraguan people. Once Nicaragua's domestic problems are settled through a national reconciliation, the international problems caused by it will be automatically solved.

Because of this and as Nicaraguans directly affected by the problem, we hereby respectfully make these suggestions:

1. The signed document for peace and cooperation in Central America should set forth clearly and without time limitations -- just as Costa Rican President-elect Oscar Arias Sanchez has indicated -- a fixed schedule for verification and control regarding both a reduction of state arsenals and the withdrawal of military advisers and everything related to security in the region.

2. No later than 30 days after the document is signed, the proposal of a dialogue for national reconciliation contemplated in both the document and the Caraballeda Statement should be implemented. The latter was ratified by Central American presidents in the Statement of Guatemala during their meeting on the occasion of Vinicio Cerezo's inauguration. To this effect, the formula proposed by Salvadoran President Napoleon Duarte, backed by UNO and ratified by CON, could be adopted. In the case of Nicaragua, we feel this dialogue should be held in a neutral country designated by the Contadora Group. This dialogue should be held through the mediation of the Nicaraguan Episcopal Conference and should enjoy sufficient international guarantees and the participation of both domestic and international opposition and the armed forces that struggle for Nicaragua's genuine and definitive liberation. This national dialogue should be oriented toward creating the necessary conditions for truly free elections as soon as practicable, just as the FSLN pledged to the Nicaraguan people at OAS in June 1979.

3. An FSLN refusal to sign the document for peace and cooperation in Central America on 6 June under some pretext, as it has been doing so far, will show to the governments of America and the world the intransigence of the FSLN's Marxist-Leninist regime. No alternative will be left other than to reconvene the 17th Consultation Meeting of OAS foreign ministers. In this meeting, which is still open, the FSLN government will have to answer for its failure to fulfill its commitments pledged in that meeting with the Nicaraguan people and the international community.

4. Consequently, as the dialogue was rejected or exhausted due to the ideological fanaticism of the National Directorate of the FSLN, we must admit that the Nicaraguan people had a right to protest, and those who have risen up in arms and are fighting from the mountains of our fatherland for an effective national liberation should be described as belligerent forces.

Who doubts, after almost 7 years of the FSLN's tyranny, that the Nicaraguan people have been left no other option but that of rebellion?

Excellencies: Our people want peace but not at the expense of modern slavery. Today it is Nicaragua and tomorrow it could be your countries. Therefore, we trust that you will make every effort to find a just and dignified solution to the problem currently affecting the great majority of our population.

If Nicaragua is lost today, none of the budding democracies on our continent will be sure of the future. Peace in Central America will be ensured only when its peoples enjoy liberty, because although peace does not solve everything, we are convinced that it is the best path for us to achieve the development of the goals we share together "for the good of man and of all men."

We point out that the organizations and people who have signed this message actively participated in the cruel and prolonged struggle against the Somozist dynasty. Therefore, any effort by the FSLN to discredit our statement is condemned to failure in advance.

Finally, we invoke the God of the nations to guide Your Excellencies in your lofty and difficult efforts. We believe -- and UNO believes this also -- that "as long as there is no democracy in Nicaragua, there will be no peace in Central America."

Attentively, we sign our names, Adolfo Gabuardi and Porfirio Molina, Independent Liberal Party (PLI); Wilfredo Montalvan and Jorge Irias, Nicaraguan Social Democratic Movement in Exile [Movimiento Social Democrata de Nicaragua en el Exilio -- MSDN]; Mario Benito Darce and Alfredo Guzman, Nicarguan Democratic Movement (MDN); Edmundo Chamorro R. and Alberto Ordonez Arguello, Nicaraguan Conservative Party in Exile [Partido Conservador de Nicaragua en el Exilio -- PCNE]; Roberto Guillen, Nicaraguan Social Christian Party in Exile [Partido Social Cristiano de Nicaragua en el Exilio -- PSCN]; Tirso Cledon and Jaime Martinez, Nicaraguan Democratic Union (UDN); Marvin Campos and Guillermo Araica, Committee of Nicaraguan Democratic Workers [Comite de Trabajadores Democraticos Nicaraguenses -- CTDN]; Jaime Llanes, Alvaro Solorzano, and Gilberto Serrano G., Movement of Solidarity with Nicaraguan Democratic Workers (STDN); Nicaraguan Private Enterprise in Exile [Empresa Privada Nicaraguense en el Exilio -- EPNE]; Fuad Farach A., spokesman; Vicente Rappaccioli, secretary; Jorge Irias Ayala, responsible signature.

TOMAS BORGE MEETS WITH INDIAN COMMUNITY

PA192014 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 19 May 86

[Excerpts] The creation of a special commission that will discuss the problem of land was announced during the celebration in (Yuno) in Special Zone 1 of the first anniversary of the peace talks between the revolutionary authorities and the leaders of a sector of the KISAN [Unity of the Nicaraguan Atlantic Coast Indigenous Peoples]. The conversations began last year on 17 May when Commander Eduardo Pantin, one of the main KISAN leaders, met for the first time with the revolutionary authorities. One year later, hundreds of residents of the Indian communities gathered in (Yuno), which was declared capital of peace.

The topic of land was discussed in an event presided over by Commander Tomas Borge, interior minister and chairman of the National Autonomy Commission, and Indian and religious leaders. Before Borge spoke to announce the creation of a special commission to deal with the land problem, [name indistinct] and Reynaldo Reyes, known as Rafaga, spoke. Reyes rejected any dialogue with the FDN and the KISAN sectors that want to continue the war. Borge stressed the problem of peace and he called on the warmongering sectors to join the efforts to bring peace to the region.

[Begin Borge recording] Today, in this historic meeting, we commit ourselves before the Miskito communities to undertake the first steps with regard to autonomy. We believe that there is no better place to begin a pilot project of autonomy than the community of (Yuno). Therefore, we will begin the autonomy in this place where Eduardo Pantin shed his blood. [applause] It was very pleasing to us when we were coming to the community of (Yuno) to see [words indistinct] fighters of our Army, with the companeros of the Interior Ministry and KISAN armed and protecting the security of this location. Here with us are not only Rafaga, [words indistinct]. We know that there are also KISAN for war members who came to listen to our words. Of course, we are not going to take any measure against them. On the countrary, we want them to listen and [words indistinct] who are also our brothers, that the arms of the revolution are open, that the doors of our homes are open, that we receive all our brothers with open hearts. [end recording]

The land [words indistinct] was also a topic of Borge's speech:

[Begin recording] It must not be said that the communities have the right to the use of their wealth, but [words indistinct] the use of that wealth for their communities. [applause] A commission on the land and on the use of the wealth of this region must be created immediately. It must be formed by the commission of peace and autonomy, representatives of this region at the National Assembly, and the companeros of the revolutionary government and the FSLN. [end recording]

DRAFT CONSTITUTION DISCUSSED AT TOWN COUNCILS

PA182335 Panama City ACAN in Spanish 2105 GMT 18 May 86

[By Denis Garcia Salinas]

[Text] Managua, 18 May (ACAN-EFE) -- The first draft of the new constitution of Nicaragua was submitted today for the first time to a system of people's assemblies.

Journalists, poets, artists, and writers participated in the 3-hour-long meeting in which they discussed, among other things, the way the new constitution should deal with freedom of expression.

Nicaragua has been without a constitution since the Sandinist victory in 1979, and it is being ruled by a rights and guarantees statute. These assemblies, called open town councils [cabildos abiertos], were created by the National Assembly's Constitutional Commission to consult all the nation's sectors about the constitution. Although the subject of the freedom of expression was not the most important among the constitutional issues discussed, it did manage to divide the participants in the open town council into two blocs.

Poetess Michelle Najlis, former director of the communications media, spoke in favor of the freedom of expression, but "to teach and not to misguide" the people. Najlis, member of the Sandinist Cultural Workers Association, ATCS, said that freedom of expression should be used to educate the people. Ronaldo Lopez, and independent journalist for a private newscast, strongly criticized the government for its censorship and for "violating human rights" and "international agreements." Lopez said that in some sectors of Nicaragua there is "abuse of official and private control of newspapers." He said that "censorship makes no sense and no place in Nicaragua." However, he admitted that the war situation in the country is to blame for the strong censorship.

Reporters from the opposition newspaper LA PRENSA did not participate in today's open town councils. Culture Minister Ernesto Cardenal stated simply that the new constitution should define the true freedom currently existing in Nicaragua. Artist Pablo Beteta criticized what he called "reactionary circles" referring to the opposition newspaper LA PRENSA, for "criticizing information dealing with the revolutionary groups or sectors." When the public debates on the draft of the constitution end, the Constitutional Commission will submit a full report to the National Assembly. Nicaragua's new constitution should be approved by 1987. The new constitution deals with mixed economy, political pluralism, nonalignment, people's participation, democracy, and a presidential regime.

FRG ENVOY DEMANDS RELEASE OF GERMAN CITIZENS

PA191524 Managua Domestic Service in Spanish 1200 GMT 19 May 86

[Text] Joseph Rusnak, FRG ambassador to Managua, has demanded that the mercenaries of the Reagan administration release eight German volunteers who were kidnapped northeast of Nueva Guinea. They were kidnapped by a group of mercenaries in the Jacinto Baca agricultural cooperative, 35 km mortheast of Nueva Guinea, on Saturday. The German volunteers were building a settlement for people displaced by war. At 0115 we went to the FRG Embassy, where the ambassador made the following remarks.

[Begin recording] [Rusnak] Eight German citizens who were working in the Jacinto Baca cooperative, 35 km northeast of Nueva Guinea, were kidnapped on Saturday, 16 May 1986. With this call through the Voice of Nicaragua, the German Embassy, which is responsible for the lives of German citizens in Nicaragua, demands the immediate release of the kidnapped Germans for humanitarian reasons. The life of one of the hostages, Sigfried Ruetting, is in serious danger because he has hepatitis. He needs immediate medical attention. Thank you.

[Unidentified reporter] How do you view this kidnapping by the mercenaries?

[Rusnak] I say exactly what my government said: The FRG Government condems the kidnapping of the Germans and views it as an act of violence that cannot be justified by any political motive. [end recording]

SPECIAL LIBYAN ENVOY ON U.S. ATTACK, BOYCOTT

PA161238 Havana International Service in Spanish 2300 GMT 15 May 86

[By Margarita Barrios]

[Text] We hereby report on an interview with Ali Hudayri, member of the Libyan People's Committee for Foreign Liaison, who arrived in Cuba as special envoy of Libyan leader Mu'ammar al-Qadhdhafi. When asked about the damage inflicted on Libya by the U.S. bombings against that country, he said: I believe that all the targets they mentioned are civilian; however, if they consider that houses, schools, and hospitals are military targets, then they are either mad or blind. The number of dead civilians is great; more than 60 people died in the cities of Tripoli and Benghazi, and most of them were children. Complete families died when their houses were destroyed while they slept.

I believe that the Reagan administration was trying to justify the aggression when it lied to the U.S. people, so it did not tell the truth about the targets that were bombed. I believe that they have realized they made a great mistake because we had more than 300 journalists in Tripoli and they filmed and showed their clips to the U.S. people live from Libya. This explained everything, so I think that the U.S. people do not believe what their government tells them. They have repeated the same mistakes that they made in Vietnam, when they were telling so many lies about he aggression.

Referring to U.S. President Ronald Reagan's statements that the attack was carried out in reprisal for Libya's alleged support for what he calls international terrorism, particularly for the death of several Americans in several attacks, Ali Hudayri said: I think that President Reagan was looking for any pretext to perpetrate and aggression against Libya. He had planned this attack on Libya for some time, but not for the reasons he claimed. Our position concerning terrorism is well-known and clear, and we condemn any terrorist attack that endangers innocent lives. Reagan's statement that Libya was responsible for the attack on the discotheque in Berlin was an atrocity; that is a great lie. We challenge Reagan, or anyone else, to prove or present the evidence indicating that Libya was reponsible for the attack. I think that Reagan would have gone ahead with the attack on Libya, even if he had to organize his own attack [on the discotheque] to blame our country. I am sure that history will prove us right.

When asked his view about the consequences of the economic boycott against Libya he said: I think that the Reagan administration's campaign is aimed at creating problems with certain countries that do not support the United States. Take Cuba, for example. They tried everything against Cuba; they used all types of boycott -- economic, political isolation, etc. --but nothing worked. Likewise, nothing will work in Libya's case. Our country is small but we can survive, even without the presence of the U.S. or European technology. We are building a country based not only on oil, but also other revenues, and we will survive. We are not afraid, and we are capable of countering any challenge. I think that the only ones to be affected will be the U.S. and European companies. Reagan thinks that if Europe and the United States stop trading with Libya we will die, but I tell you they are wrong. Nevertheless, we hope that we will not reach this extreme, because we believe in peaceful coexistence among nations. We are convinced that an economic boycott is not the most efficient way to resolve differences between countries.

COMMENTARY VIEWS PARAGUAY'S CURRENT 'CRISIS'

PA161348 Havana International Service in Spanish 2300 GMT 15 May 86

["Our America" commentary]

[Text] In 1811 the Paraguayan nation cast out the Spanish colonial domination and gained its independence. The patriotic governments of Jose Gaspar Rodriguez de Frania, Carlos Antonio Lopez, and Francisco Solano Lopez began Paraguay's sovereign economic development. This was abruptly ended in 1870 by the War of the Triple Alliance, which set Argentina and Brazil against the Paraguayan nation, in defense of British interests. The country was totally devastated and fell prey to foreign capitalism, which took over the peasants' and the state's lands and mortgaged the national economy.

The years have passed and dependence has reduced Paraguay to the condition of a semi-colony. U.S. financial capital dominates the national economy -- meat-packing plants, production and sale of tannic acid, distribution of fuel, export of cotton, lumber, mate tea and other agricultural products, and coffee plantations -- and, of course, foreign trade and monetary policy.

General Alfredo Stroessner, an obscure military officer of German origin, represents the U.S. interests in Paraguay. He rose to power through a coup d'etat in 1954. In order to turn over the country's riches to transnationals and the Yankees, Stroessner the butcher has resorted to bloody terrorism against the opposition and the Paraguayan people's combativeness. Nowadays, when democratic and revolutionary struggles have increased on our continent, the Paraguayan people are increasingly taking to the streets and countryside to challenge the decadent dictatorship, which is experiencing a crisis.

The violent police repression against workers, who staged a march on 1 May, proved how much the regime fears an increase in the discontentedness which has arisen in all social sectors. The broadcasts of the Paraguayan station Radio Nanduti, which are characterized by their critical attitude against Alfredo Stroessner's regime, were permanently intervened on the eve of an opposition demonstration to reject the military takeover of its premises. On Wednesday hundreds of demonstrators carried signs rejecting the dictatorship and marched through the streets of Asuncion minutes after concluding an event which was held by the National Agreement.

A vast deployment of policemen is currently under way in the country, demonstrating the extremely explosive national situation. The crisis in Paraguay is worsening at a time when people talk about those who will possibly replace the dictatorship. This has increased the rifts among official sectors. In addition, the parties comprising the opposition coalition National Agreement continue their political activities, and the Paraguayan church adopts clear positions against the dictatorship. Strikes and mobilizations by the workers, peasants, professionals, and students are increasing, openly defying the regime. Paraguay is evidently preparing for what might very well be its second and definite independence.

INTERNATIONAL INSURANCE CONFERENCE BEGINS

FL191825 Havana Television Service in Spanish 1700 GMT 19 May 86

[Text] The 25th conference of insurance organizations from socialist countries has begun in Havana. The 14-topic agenda includes the forms and methods of insurance coverage available to the population in case of accidents that occur outside the labor area and the perfection of agricultural insurance in socialist countries.

Roberto Blanco, vice president of the State Finance Committee, opened the conference and discussed the sustained capitalist economic crisis that has strong repercussions on insurance activities and the relations that socialist enterprises have with capitalist market. He called on the delegates to implement measures to alleviate this situation and cooperate with the activities of Third World insurance organizations.

The international conference will conclude on Friday at the Havana City Triton Hotel.

POLITBURO MEMBER SPEAKS AT COOPERATIVES MEETING

FL191800 Havana Radio Reloj Network in Spanish 1417 GMT 19 May 86

[Text] Jorge Risquet Valdes, member of the Politburo of the Communist Party of Cuba [PCC], has given an enlightening speech at the second national meeting of agricultural production cooperatives in Havana.

Risquet based his speech on the thesis and resolutions of the Firt PCC Congress referring to the agrarian question and its relation to peasants which outlines the development of the cooperative movement. If we had adhered to the statements, theories, and resolutions made at the First PCC Congress, he said, the negative events studied at that meeting would not have occurred.

Risquet spoke on some of the topics in that document such as those related to plans, taxes, and contributions that should have added to the nation's income.

CIENFUEGOS REPORTS UNFAVORABLE ENERGY CONSUMPTION

FL160151 Havana Television Service in Spanish 0000 GMT 16 May 86

[Text] Upon completion of the first quarter of the current year, Cienfuegos Province is presenting an unfavorable situation in conservation of energy, with consumption exceeding 27,000 tons of oil and a cost exceeding 20,000 megawatt hours.

The Cienfuegos Provincial Energy Commission is analyzing the situation in 53 enterprises where consumption indexes are above the projected goal, and the commission will apply the appropriate sanctions in cases where negligence and lack of control have contributed to these negative results.

Among the enterprises that have exceeded their consumption goals are all the agro-industrial complexes in the territory, fertilizer glucose, and irrigation enterprises, and the No 12 Industrial Construction Complex. During inspection of some of these enterprises, their conservation commission was found to perform deficiently. It was also revealed that there was inadequate planning and disintegration of energy conveyors. There also were difficulties in controlling, storing, and distribution of combustible fuel and oils, and other factors.

Last year, five enterprises that exceeded their conservation goals in Cienfuegos were penalized with a fine exceeding 3,00 pesos in accordance to the regulation established by the State Price Committee.

FURTHER ELECTION REPORTAGE; NO WINNER ANNOUNCED

Council Head Challenged

PA190321 Paris AFP in Spanish 0243 GMT 19 May 86

[Text] Santo Domingo, 18 May (AFP) -- Jacobo Majluta, candidate of the Dominican Revolutionary Party, PRD, announced today that his party and the five other parties that support him have decided to challenge the president of the Central Electoral Council and one of its members. Majluta justified the decision on the fact that, according to him, the Council -- the country's uppermost authority during the elections -- has refused to take into consideration several complaints presented by his party.

Majluta also said that, according to calculations made by his own ballot counting center, he has won the elections. He accused the chief of the computer [informatica] department of the Council of being biased and linked to his [party's] main rival, the Reformist Social Christian Party. Majluta asked the members of his party and the population in general to stay home and remain calm.

While the candidate was speaking, it was observed that the military presence on the capital's streets, which are virtually empty, was reinforced.

Advisers Withdraw From Count

PA191735 Paris AFP in Spanish 1700 GMT 19 May 86

[Text] Santo Domingo, 19 May (AFP) -- The commission of electoral advisers today announced in a communique that it had to withdraw from the headquarters of the Central Electoral Board [JCE]. The communique stated that the commission made this decision "upon observing the process of continuation of the still-pending vote count was being objected to by the alternate members of the JCE before the pending challenge suits were decided by judges."

The communique added that the process of continuing the count was also objected to by "high-level representatives of the PRD and the Structure Party [Partido La Estructura], who demanded that those in charge of the JCE's counting center not begin the count of their votes." In conclusion, the commission stated that, upon withdrawing from the headquarters, 150 polling tables still had to be counted, 147 were in the process of technical verification, and 187 have not yet submitted results.

[Paris AFP in Spanish at 1705 GMT on 19 May reports: "The president of the JCE, the highest electoral body, has disqualified himself from continuing in those functions in view of the challenge filed against him yesterday by five political parties that supported the presidential candidancy of Jacobo Majluta of the ruling PRD."]

BARBADOS

CAMPAIGN ENTERS FINAL WEEK, ST JOHN HOLDS RALLY

FL192115 Bridgetown CANA in English 1419 GMT 19 May 86

[By Reudon Eversley]

[Text] Bridgetown, Barbados, May 19, CANA -- Prime Minister Bernard St. John, reminiscing on the massive defeat suffered by the Barbados Labour Party (BLP) the last time he led it in a general election, last night asked voters to endorse his leadership in the May 28 elections. Over the last 25 years (in public life), I have demonstrated to you that I am honest,..courageous,...hardworking, that I have another change. Endorse it, he said...I say to you that you really have no choice in this election, that the Barbados Labour Party is the only choice you have. St. John, a 54 year old lawyer, was the main speaker at a heavily attended public meeting held in the city by the ruling party to present its 27 candidates, as campaigning entered the final week.

Branding the main opposition Democratic Labour Party (DLP) as disunited and incompetent, he said the BLP, seeking a third successive five-year term, had a proud record of achievement in the last 10 years, and a programme in place to lead Barbados into the 21st century. Do you mean to tell me you are going to jettison the future of your children and your [passage indistinct].

St. John said the opposition's package was a trick to take in the gullible, and asked voters to go for the BLP's method of addressing the tax issue, by giving gradual reductions. Whatever tax reform Richie Haynes will be giving you, it will be no use to you in a Barbados in which there is social disharmony, he said.

St. John said the DLP's package would cause a revenue loss of 109 million dollars (one BDS dollar; 50 cents U.S.), and called on the opposition to state how it planned to finance the tax cuts. Is (the opposition) going to cut social services? Is (the opposition) going to fire 6,000 or 7,000 civil servants? That is the question that must be answered, he remarked.

St John said a new BLP administration would continue its programme of transforming the economy, and would press on with its capital development schemes, including the construction of new highways, fishing harbours, and other facilities.

Campaigning was continuing today with several public meetings scheduled by both major parties.

JAMAICA

SEAGA RAPS JLP DEFECTIONS; MORE EXPECTED

FL191932 Bridgetown CANA in English 1854 GMT 19 May 86

[By Paget de Freitas]

[Text] Kingston, Jamaica, May 19, CANA -- Prime Minister Edward Seaga, attempting to slap his Jamaica Labour Party (JLP) into electioneering shape, has been bracing supporters to expect more defections by JLP parliamentarians.

Recently one member of parliament belonging to the JLP resigned, Seaga told a rural audience here Sunday. I am telling you that we have had to tell a number of them, not many...that they are not doing a good job and must not expect any further support (from the party) and that they will not be running again. If they wanted to resign, they could, Seaga said, because when you have (all) 60 members in the House (of Representatives) you can afford to lose a few.

Seaga's caustic remarks about worthless parliamentarians and the need to clean out the bad eggs, followed last week's surprise and embarassing resignation from the party of Howard Wedemire, a JLP representative for a constituency in the western parish of Westmoreland. Wedemire's complaint was that the interest of his constituency, which he inherited without a contest because of the boycott of the 1983 general elections by the People's National Party (PNP), was not being addressed by the administration, and he had been frustrated in a three-month attempt to arrange a meeting with party leader Seaga.

With the freedom of speech possible with this independence I shall represent the neglected interests of my constituency forcefully to the parliament...Wedemire declared. Observers here say that the resignation and its manner came at a bad time for the JLP. After five years of resolutely pushing ahead with International Monetary Fund (IMF) mandated austerity in an attempt to bring the badly listing Jamaican economy back onto even keel, Seaga in his budget this month decided on his own course. He presented a package that included subsidies, allowing for a lowering of prices on a number of basic food and items which had shot up under his policy of deregulation and devaluation. Interest rates were lowered and the budget for capital spending doubled.

The budget, aimed at stimulating a 5.5 per cent growth in the economy, ran counter to the recommendations from a mission from the World Bank, IMF, the U.S. Agency for International Development (USAID), which Seaga had invited to take a fresh look at the island's economy. Instead the group from Jamaica's major aid backers recommended continued austerity, including further cuts in government spending, the slashing of thousands of more public sector jobs and further devaluations of the local dollar, Seaga said. The new look mission became an old look mission, Seaga complained.

Seaga has since sought to downplay the impact of the disagreement, saying that the mission members -- invited after he complained in Seoul last October about the short-term nature of IMF adjustment programmes -- saying that they had been invited as individuals and that their views did not necessarily reflect the opinion of their organisations. Nonetheless, he has stressed that the government has a contingency plan if it was forced to push through with austerity.

The opposition reaction to Seaga's budget was that it was an election package aimed at reviving the fortunes of his party, which has been a high political price for the years of austerity.

The prime minister must call municipal elections, which he has twice postponed, by the end of June, unless he goes against his promise and delays them again.

There is speculation that Seaga might use the local government poll as a test for national elections, which he is not bound to call before the end of 1988, or he might even hold both at the same time. The last opinion polls published in January gave the PNP a 61 per cent following among committed voters.

PNP leader Michael Manley called the budget, and the food price reductions an insulting bribe. He (Seaga) believes that the people are so lacking in intelligence and so hungry that they can be bought by appealing to their most basic instincts -- their bellies, Manley said last week. He, and some analysts, have raised the possibility of Seaga using the expansionary package to win a mandate and revert to IMF austerity once the mandate has been secured.

Seaga, however, has dismissed such charges. The fashioning of the budget began in 1984, and was based on savings associated with the tight austerity the country had endured, he explained. The government had been able to do more at this time because of the windfall from tumbling oil prices.

An election budget or not, some commentators, including Seaga supporter John Hearne, said that even with the increased spending the budget could not spread too thickly, and was unlikely to win many votes. The new mood of optimism which Seaga claims to sense in the nation may be more apparent to him than to many observers, Hearne wrote at the weekend.

Within that scenario, the Wedemire resignation added to the difficulties of the JLP. And it was not totally unexpected, some political watchers said when party chairman, Bruce Golding, claimed that Wedemire's was a pre-emptive move because he was about to be ditched for his dismal performance. Wedemire is the first sailor to jump off Seaga's sinking ship, said PNP Chairman P. J. Patterson, whose old seat the parliamentarian now occupies. We are sure it will not be the last.

PNP officials believe that even if it was only local government election that Seaga calls, he will be introuble. If we beat him badly in local government elections that's the start of a rapid downward slide, a senior party official said during a background briefing. In any event, they are prepared for anything the prime minister might do, party officials claim. Some analysts have said unpreparedness was partly to blame for the PNP's boycott of the 1983 elections.

Seaga, at least publicly, maintains confidence and has not yet let on what precisely is in his mind, though his utterings seem to suggest a municipal rather than national poll. Seaga watchers expect the prime minister's intentions to become clearer at a party rally next weekend.